# 2017 EEI Financial Conference

## November 2017

## Patrick J. Goodman

### Executive Vice President and Chief Financial Officer

Berkshire Hathaway Energy

A Berkshire Hathaway Company

[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Forward-Looking Statements

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

- general economic, political and business conditions, as well as changes in, and compliance with, laws and regulations, including income tax reform, initiatives regarding deregulation and restructuring of the utility industry, and reliability and safety standards, affecting the respective Registrant's operations or related industries;
- changes in, and compliance with, environmental laws, regulations, decisions and policies that could, among other items, increase operating and capital costs, reduce facility output, accelerate facility retirements or delay facility construction or acquisition;
- the outcome of regulatory rate reviews and other proceedings conducted by regulatory agencies or other governmental and legal bodies and the respective Registrant's ability to recover costs through rates in a timely manner;
- changes in economic, industry, competition or weather conditions, as well as demographic trends, new technologies and various conservation, energy efficiency and private generation measures and programs, that could affect customer growth and usage, electricity and natural gas supply or the respective Registrant's ability to obtain long-term contracts with customers and suppliers;
- performance, availability and ongoing operation of the respective Registrant's facilities, including facilities not operated by the Registrants, due to the impacts of market conditions, outages and repairs, transmission constraints, weather, including wind, solar and hydroelectric conditions, and operating conditions;
- the effects of catastrophic and other unforeseen events, which may be caused by factors beyond the control of each respective Registrant or by a breakdown or failure of the Registrants' operating assets, including storms, floods, fires, earthquakes, explosions, landslides, mining accidents, litigation, wars, terrorism, embargoes, cyber security attacks, data security breaches, disruptions or other malicious acts;
- a high degree of variance between actual and forecasted load or generation that could impact a Registrant's hedging strategy and the cost of balancing its generation resources with its retail load obligations;
- changes in prices, availability and demand for wholesale electricity, coal, natural gas, other fuel sources and fuel transportation that could have a significant impact on generating capacity and energy costs;
- the financial condition and creditworthiness of the respective Registrant's significant customers and suppliers;
- changes in business strategy or development plans;
- availability, terms and deployment of capital, including reductions in demand for investment-grade commercial paper, debt securities and other sources of debt financing and volatility in the London Interbank Offered Rate, the base interest rate for the Registrants' credit facilities;
- changes in the respective Registrant's credit ratings;
- risks relating to nuclear generation, including unique operational, closure and decommissioning risks;



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# Forward-Looking Statements

- hydroelectric conditions and the cost, feasibility and eventual outcome of hydroelectric relicensing proceedings;
- the impact of certain contracts used to mitigate or manage volume, price and interest rate risk, including increased collateral requirements, and changes in commodity prices, interest rates and other conditions that affect the fair value of certain contracts;
- the impact of inflation on costs and the ability of the respective Registrants to recover such costs in regulated rates;
- fluctuations in foreign currency exchange rates, primarily the British pound and the Canadian dollar;
- increases in employee healthcare costs;
- the impact of investment performance and changes in interest rates, legislation, healthcare cost trends, mortality and morbidity on pension and other postretirement benefits expense and funding requirements;
- changes in the residential real estate brokerage and mortgage industries and regulations that could affect brokerage and mortgage transactions;
- unanticipated construction delays, changes in costs, receipt of required permits and authorizations, ability to fund capital projects and other factors that could affect future facilities and infrastructure additions;
- the availability and price of natural gas in applicable geographic regions and demand for natural gas supply;
- the impact of new accounting guidance or changes in current accounting estimates and assumptions on the consolidated financial results of the respective Registrants;
- the ability to successfully integrate future acquired operations into a Registrant's business; and
- other business or investment considerations that may be disclosed from time to time in the Registrants' filings with the United States Securities and Exchange Commission (“SEC”) or in other publicly disseminated written documents.

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

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



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Berkshire Hathaway Energy

## Vision

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

## Culture

Personal responsibility to our customers

## Strategy

### Reinvest in our businesses

- Continue to invest in our employees and operations, maintenance and capital programs for property, plant and equipment
- Position our regulated businesses to meet changing customer expectations and reduce loss of customers (bypass risk) by providing excellent service and competitive rates
- Participate in energy policy development, resulting in the transformation of our businesses and assets
- Advance grid resilience, cybersecurity and physical security programs

### Invest in internal growth

- Pursue the development of a value-enhancing energy grid and gas pipeline infrastructure
- Create customer solutions through innovative rate design and redesign
- Grow our portfolio of renewable energy
- Develop strong grid systems, including cybersecurity and physical resilience programs

### Acquire companies

- Additive to business model

## Competitive Advantage

Berkshire Hathaway Ownership



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Organizational Structure

**2016 Berkshire Hathaway Inc. ($ billions)**

| | |
|---|---|
| Revenue | $ 223.6 |
| Net Income | $ 24.1 |
| Equity | $ 283.0 |

**2016 Berkshire Hathaway Energy ($ billions)**

| | |
|---|---|
| Revenue | $ 17.4 |
| Net Income | $ 2.5 |
| Equity | $ 24.3 |

- Berkshire Hathaway Inc. — Aa2/AA/A+
  - 90%
  - Berkshire Hathaway Energy — A3/A-/BBB+
    - PacifiCorp — A1/A+/A+(1) — Regulated Electric Utility
    - AltaLink — A/A(1) S&P / DBRS — Alberta Canada Regulated Transmission
    - NV Energy — Baa2/A-/BBB- — Holding Company
      - Nevada Power Company — A2/A+/A-(1) — Regulated Electric Utility
      - Sierra Pacific Power Company — A2/A+/A-(1) — Regulated Electric and Gas Utility
    - BHE U.S. Transmission — Regulated Electric Transmission
    - MidAmerican Energy — Aa2/A+/A+(1) — Regulated Electric and Gas Utility
    - BHE Renewables — Contracted Non-utility Power Generation
    - Northern Powergrid — Baa1/A-/A- — Holding Company
      - Northern Powergrid (Northeast) Ltd. — A3/A/A- — U.K. Regulated Electric Distribution
      - Northern Powergrid (Yorkshire) plc — A3/A/A — U.K. Regulated Electric Distribution
    - HomeServices of America (A Berkshire Hathaway Affiliate) — Real Estate Brokerage, Mortgage and Franchises
    - Kern River Gas Transmission Company — Regulated Natural Gas Transmission
    - Northern Natural Gas — A2/A/A — Regulated Natural Gas Transmission

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



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Significant Scale

**Berkshire Hathaway Energy's regulated energy businesses serve customers and end-users across 18 western and Midwestern states in the U.S. and in the U.K. and Canada**

| | |
|---|---|
| DISTRIBUTION | Our integrated utilities serve approximately 4.8 million customers; Northern Powergrid has 3.9 million end-users, making it the third-largest distribution company in Great Britain |
| TRANSMISSION | We own significant transmission infrastructure in 15 states and the province of Alberta; with our assets at PacifiCorp, NV Energy and AltaLink, we are the largest transmission owner in the Western Interconnection |
| PIPELINES | BHE Pipeline Group transported approximately 8% of the total natural gas consumed in the United States during 2016 |
| GENERATION | We own 31,856 MW of generation in operation and under construction, with resource diversity and a growing renewable generation mix |
| RENEWABLES | As of September 30, 2017, we had invested $20 billion in solar, wind, geothermal and biomass generation, and have made commitments to spend an additional $7 billion on wind generation by 2020 |

| **Comparable Companies** ($ billions) | **Sept. 30, 2017 Market Cap(1)** | **LTM June 30, 2017 Net Income(1)** | **June 30, 2017 Retained Earnings(1)** |
|---|---|---|---|
| NextEra Energy, Inc. | $68.8 | $4.1 | $16.9 |
| Duke Energy Corp. | $58.7 | $2.4 | $2.6 |
| Dominion Energy, Inc. | $49.4 | $2.2 | $6.9 |
| Southern Company | $49.1 | $0.6 | $8.5 |
| Exelon Corp. | $36.2 | $1.8 | $11.4 |

**Berkshire Hathaway Energy**
**As of and for the LTM**
**September 30, 2017**

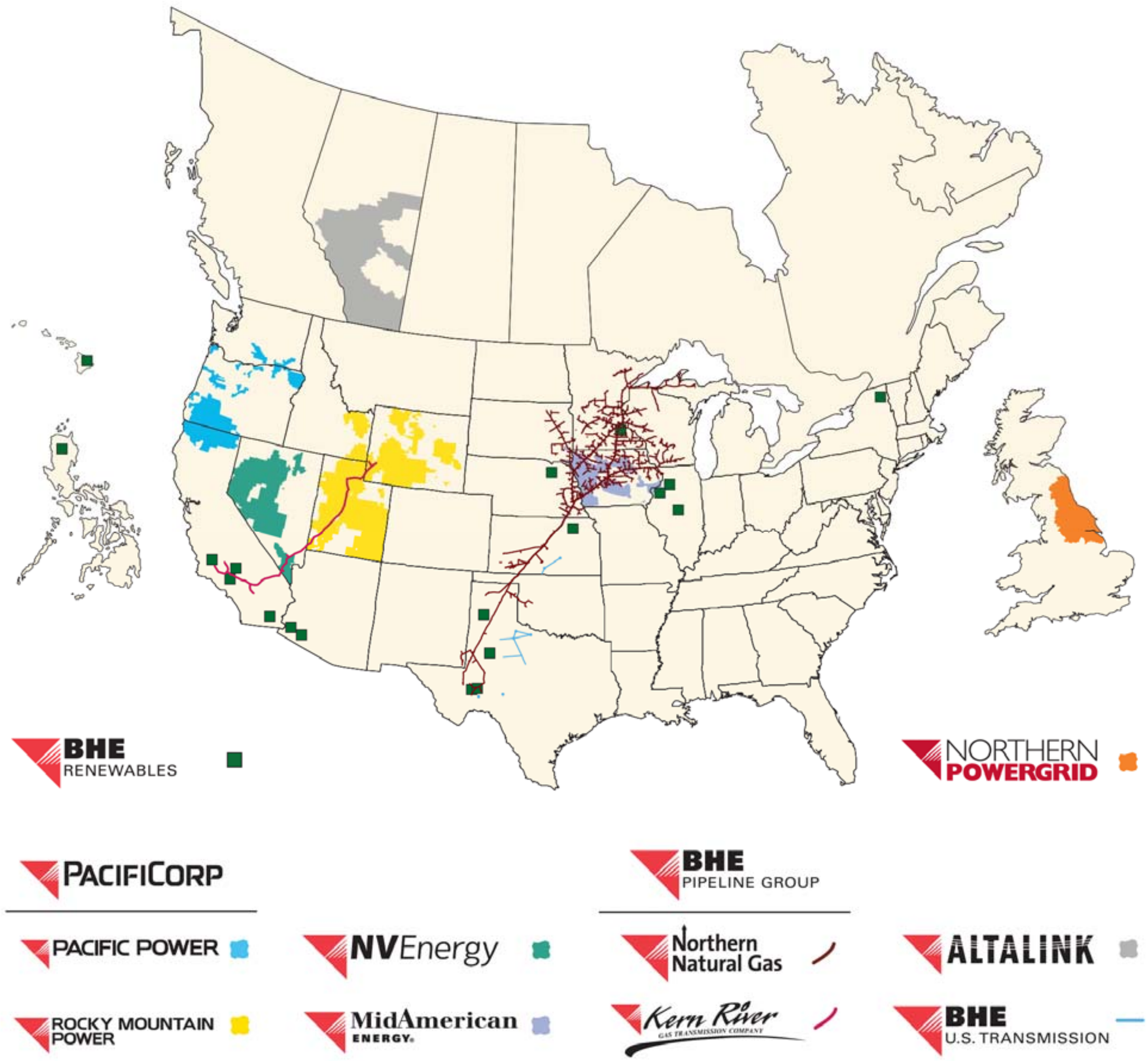
**Retained Earnings: $21.5 billion**
**Net Income: $2.7 billion**

*(1) As reported by S&P Capital IQ*



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Energy Assets




**As of and for the last 12 months ended September 30, 2017**

| | |
|---|---|
| **Assets** | $91 billion |
| **Revenues** | $18.2 billion |
| **Customers**(1) | 8.7 million |
| **Employees** | 22,700 |
| **Transmission Line Miles** | 33,500 |
| **Natural Gas Pipeline Miles** | 16,400 |
| **Power Capacity** | 31,856 MW(2) |
| Renewables | 36% |
| Natural Gas | 33% |
| Coal | 29% |
| Nuclear and Other | 2% |

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

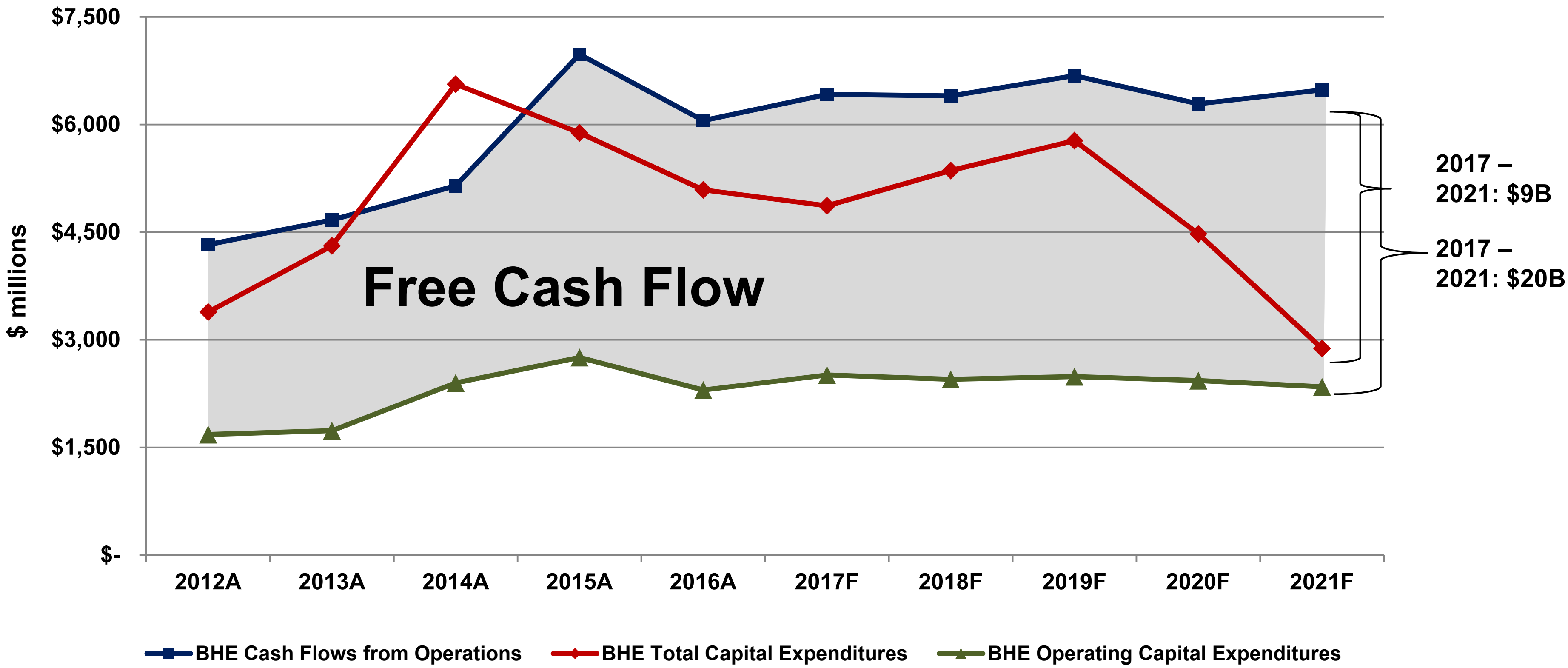
*(2) Net MW owned in operation and under construction as of September 30, 2017*

# BHE Competitive Advantage

- **Diversified portfolio of regulated assets**
  - Weather, customer, regulatory, generation, economic and catastrophic risk diversification
- **Berkshire Hathaway ownership**
  - Access to capital from Berkshire Hathaway allows us to take advantage of market opportunities
  - Berkshire Hathaway is a long-term holder of assets which promotes stability and helps make BHE the buyer of choice in many circumstances
  - Tax appetite of Berkshire Hathaway has allowed us to receive significant cash tax benefits from our parent of $659 million in 2017 year-to-date and $1.1 billion in 2016
- **No dividend requirement**
  - Cash flow is retained in the business and used to help fund growth and strengthen our balance sheet

# Capital Expenditures and Cash Flows

- Berkshire Hathaway Energy and its subsidiaries will spend approximately $16.0 billion from 2017 – 2019 for growth and maintenance capital expenditures, which primarily consists of transmission and distribution capital expenditures, new wind generation project expansions, and repowering of existing wind facilities



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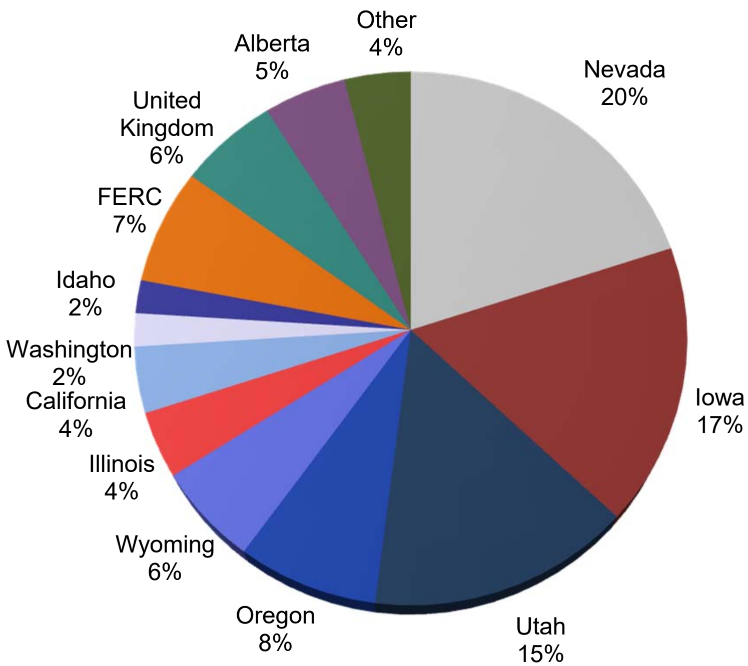
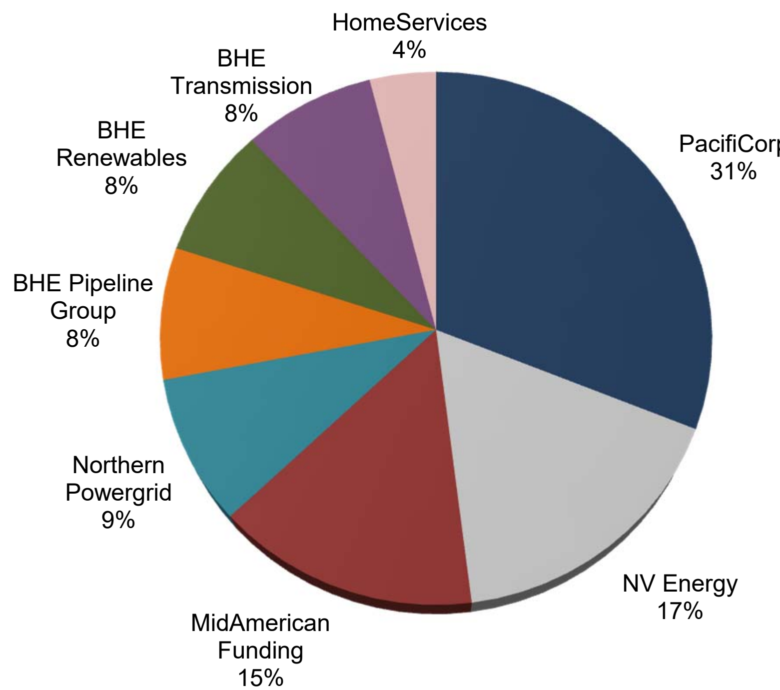
# Revenue and EBITDA Diversification

- Diversified revenue sources reduce regulatory concentrations
- For the last 12 months ended September 30, 2017, 88% of EBITDA was from investment-grade regulated subsidiaries. A significant portion of the remaining non-regulated EBITDA is from fully contracted generation assets at BHE Renewables

**BHE LTM Sept. 30, 2017**
**Energy Revenue(1): $15 Billion**




**BHE LTM Sept. 30, 2017**
**EBITDA(2): $7 Billion**

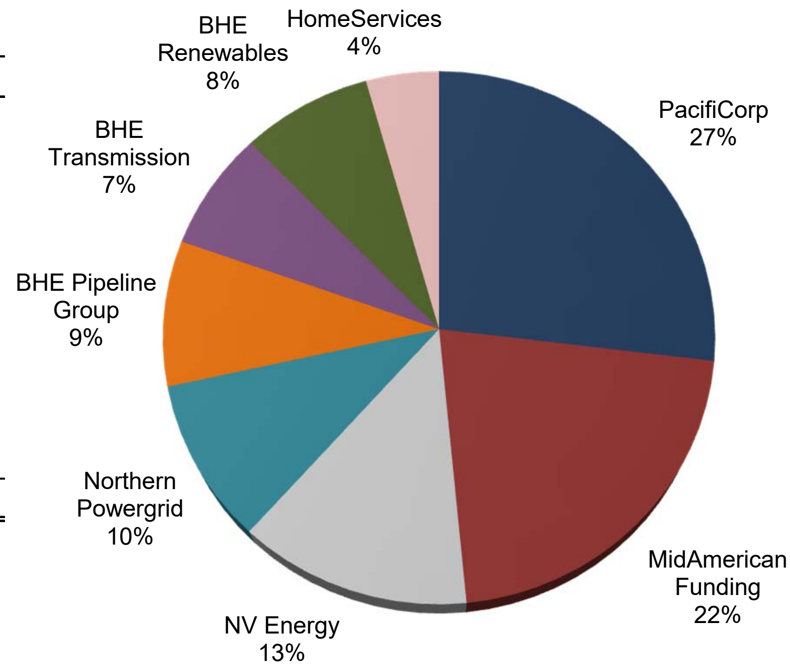



(1) *Excludes HomeServices and equity income, which add further diversification*
(2) *Refer to the Appendix for the calculation of EBITDA; percentages exclude Corporate/other*

# Financial Information ($ millions)

| Net Income Attributable to BHE | LTM 9/30/2017 | Years Ended 12/31/2016 | Years Ended 12/31/2015 |
|---|---|---|---|
| PacifiCorp | $ 786 | $ 764 | $ 697 |
| MidAmerican Funding | 630 | 532 | 442 |
| NV Energy | 387 | 359 | 379 |
| Northern Powergrid | 288 | 342 | 422 |
| BHE Pipeline Group | 257 | 249 | 243 |
| BHE Transmission | 212 | 214 | 186 |
| BHE Renewables | 231 | 179 | 124 |
| HomeServices | 129 | 127 | 104 |
| BHE and Other | (242) | (224) | (227) |
| Net income attributable to BHE | $ 2,678 | $ 2,542 | $ 2,370 |

## BHE LTM Sept. 30, 2017
## Net Income(1) : $2.7 Billion




(1) *Percentages exclude Corporate/other*



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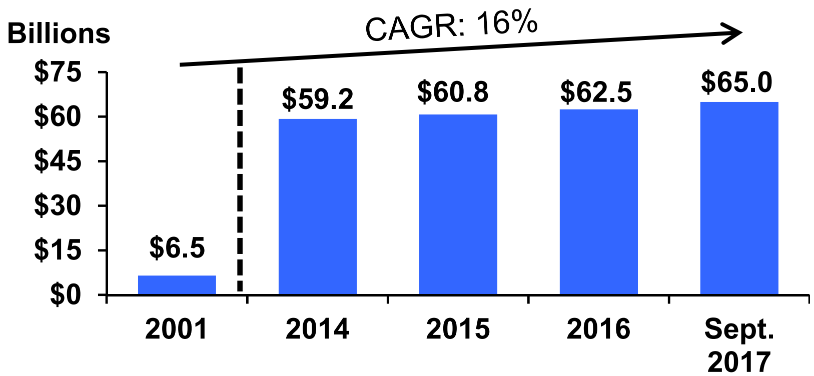
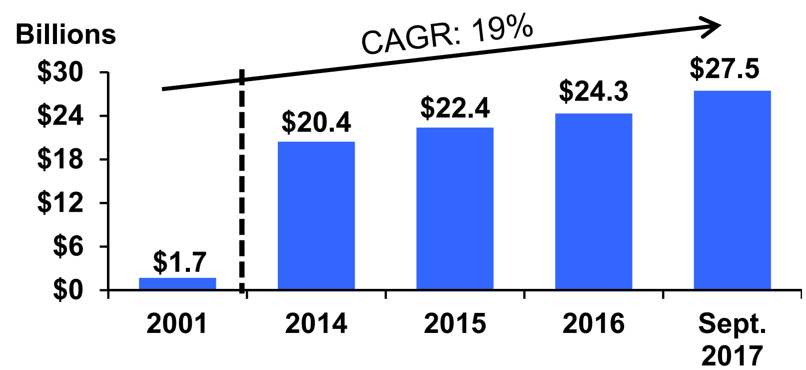
# Berkshire Hathaway Energy Financial Summary

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

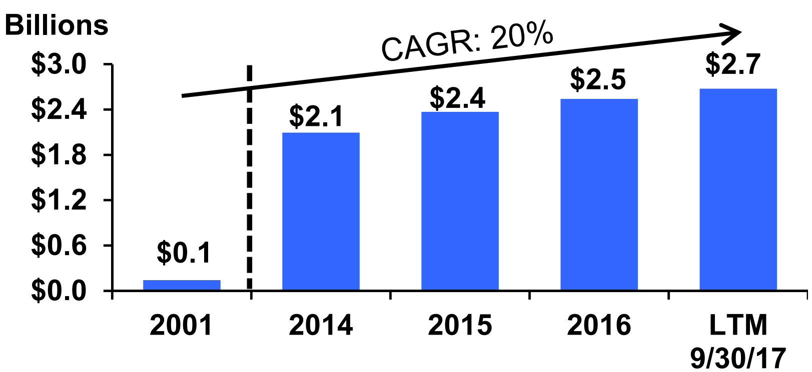
## Property, Plant and Equipment (Net)



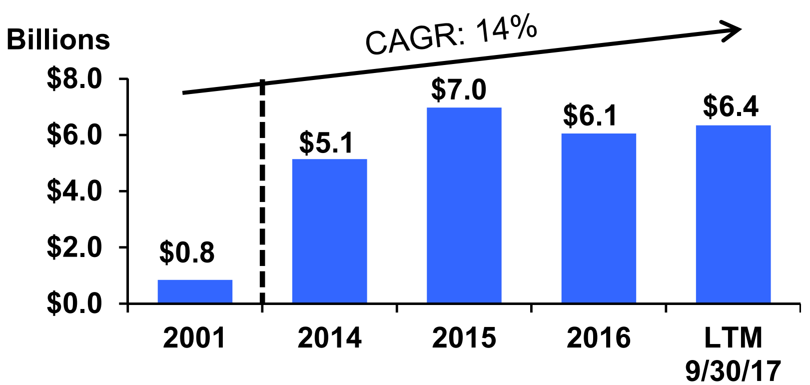

## BHE Shareholders' Equity




## Net Income Attributable to BHE




## Cash Flows From Operations



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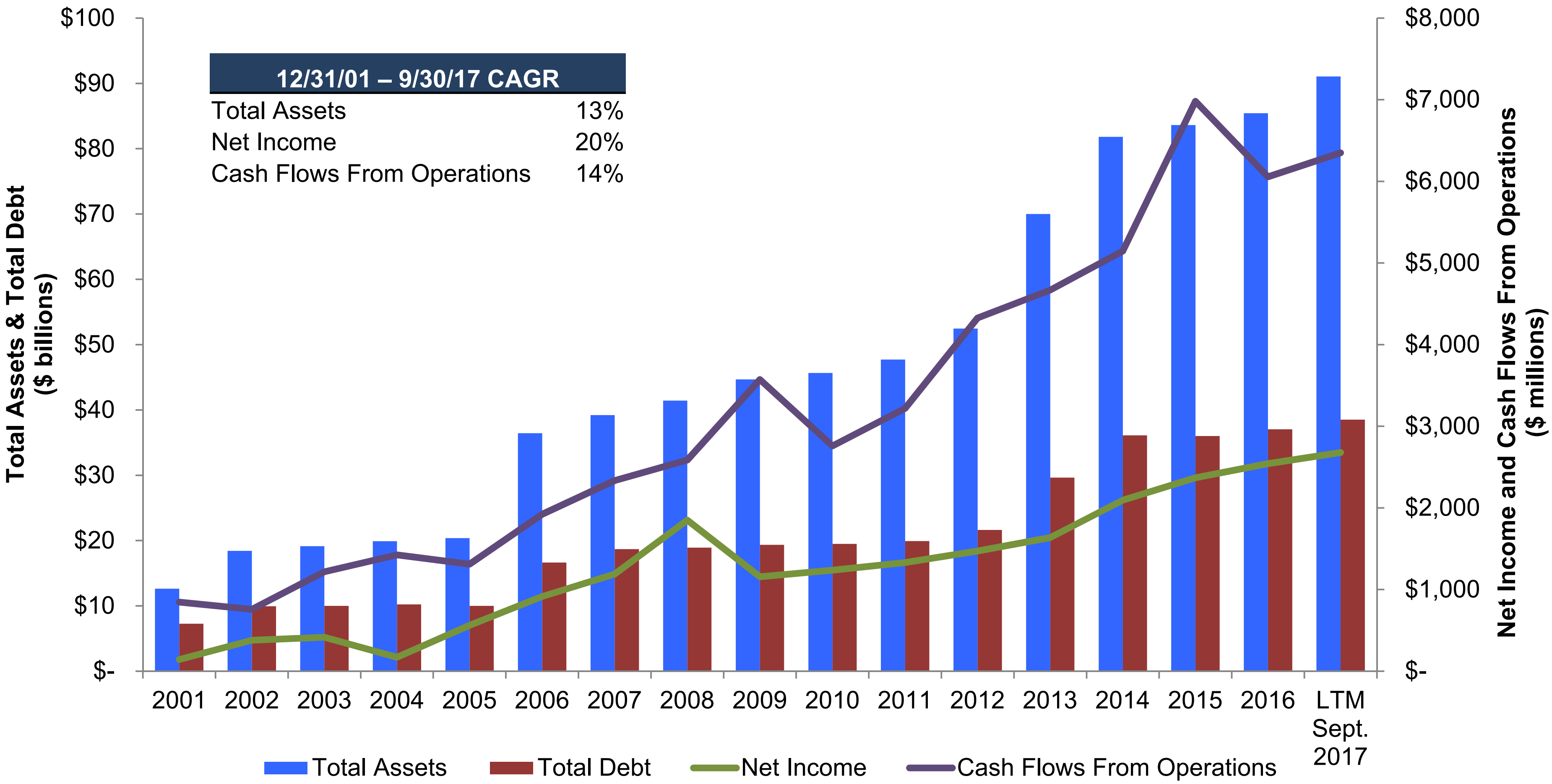
# Long-Term Perspective
# Growing the Business

- We have grown our assets significantly since 2001 while de-risking the business, reducing total debt(1) / total assets from 58% to 42% and improving our credit ratings




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

# Invest in Renewable Energy

**Owned Wind and Solar Generation Capacity (MW) (1)**

| | Regulated | | | Unregulated | |
|---|---|---|---|---|---|
| | PacifiCorp | MidAmerican Energy | NVE | BHE Renewables | Total |
| **1999-2014** | 1,030 | 2,832 | - | 1,473 | 5,335 |
| **2015** | - | 581 | 15 | 486 | 1,082 |
| **2016** | - | 594 | - | 495 | 1,089 |
| **2017-2020** | 860 | 2,000 | - | 445 | 3,305 |
| **Total** | **1,890** | **6,007** | **15** | **2,899** | **10,811** |
| **Investment** (billions) | $5 | $11 | $0 | $9 | $25 |

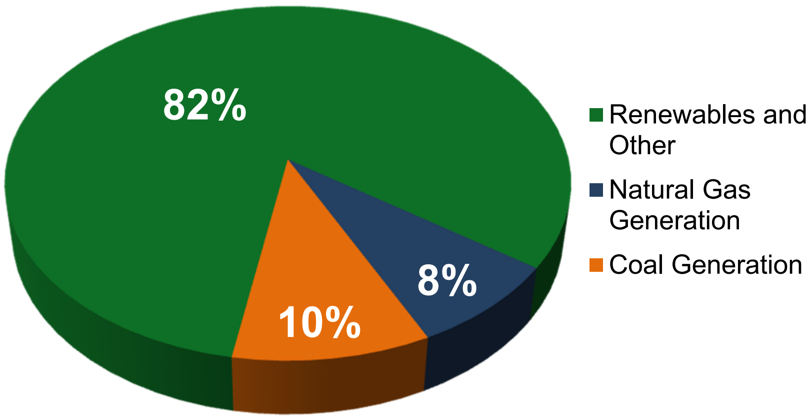
- PacifiCorp and MidAmerican Energy anticipate repowering existing wind facilities which entails the replacement of significant components of older turbines, which will qualify for production tax credits. Project costs related to the repowering of existing wind facilities will total approximately $2 billion from 2016 through 2020
- PacifiCorp's 2017 Integrated Resource Plan (IRP) includes the implementation of wind repowering, new transmission, and the development of 860 MW of new wind powered facilities at a cost of approximately $3 billion from 2017 – 2020
- MidAmerican Energy is progressing on the construction of up to 2,000 MW of additional wind-powered generating facilities, of which 338 MW are anticipated to be completed by year-end 2017, with the remainder in 2018-2019, at a cost cap of $3.6 billion
- BHE Renewables acquired the 110 MW Alamo 6 and the 50 MW Pearl solar projects in Texas, and is constructing the community solar gardens in Minnesota, comprised of 28 locations with a capacity of 96 MW, and the Walnut Ridge 212 MW wind facility in Illinois. Upon completion, the combined projects are anticipated to cost approximately $1.1 billion

(1) *Includes owned operating, under construction and in-development facilities*

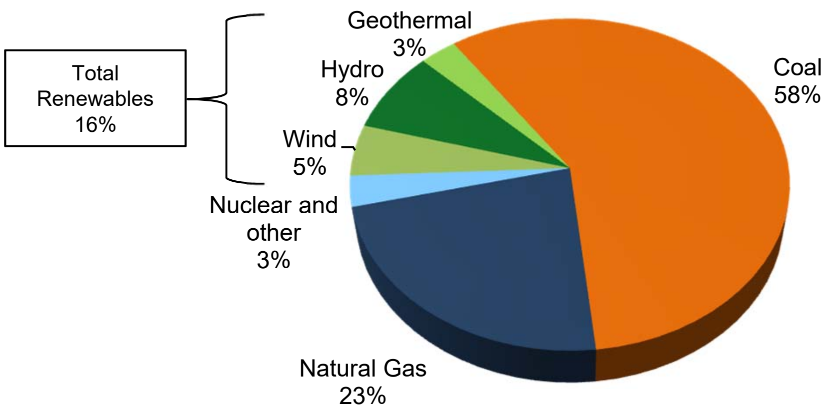
# Asset & Generation Diversity

Berkshire Hathaway Energy is growing its renewable energy portfolio and continues to de-risk its balance sheet as it relates to carbon-based generation assets. We are leading the way to a sustainable energy future for our customers

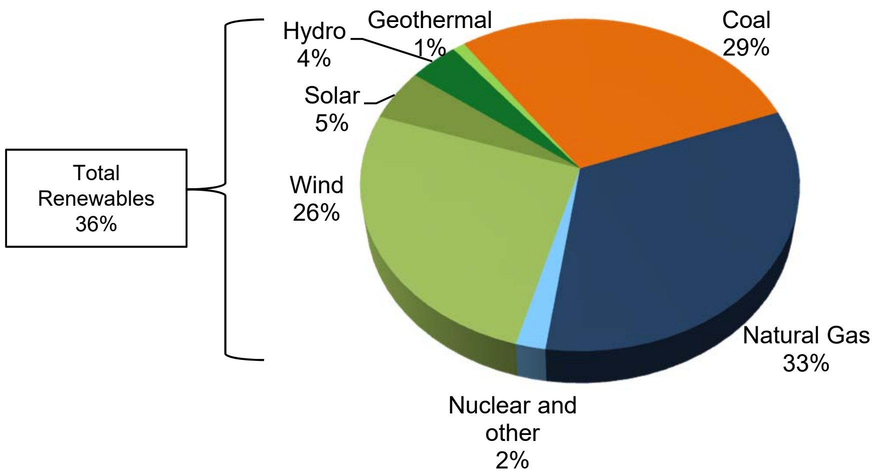
**BHE Asset Profile**
**Net Property, Plant and Equipment as of December 31, 2016**




**December 31, 2006**
**BHE Power Capacity – 16,386 MW [1]**




**September 30, 2017**
**BHE Power Capacity – 31,856 MW [1]**




*[1] Net MW owned in operation and under construction*



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# Low Cost Competitive Rates

| Company | Weighted Average Retail Rate ($/kWh) | | Customer Service Ranking |
|---|---|---|---|
| **Pacific Region[1]** | **$0.1441** | **Relative to Pacific Region:** Pacific Power 34% lower | **BHE TQS #1** **Score: 95.6%** **(Top 3 for the 14th consecutive year)** |
| **Pacific Power** | **$0.0952** | | |
| **Mountain Region[1]** | **$0.0952** | **Relative to Mountain Region:** Rocky Mountain Power 14% lower; Nevada Power 3% lower; Sierra Pacific Power 23% lower | |
| **Rocky Mountain Power** | **$0.0817** | | |
| **Nevada Power** | **$0.0927** | | |
| **Sierra Pacific Power** | **$0.0735** | | |
| **West North Central Region[1]** | **$0.0942** | **Relative to West North Central Region:** MidAmerican Energy 24% lower | |
| **MidAmerican Energy** | **$0.0712** | | |
| **BHE Pipelines** | **Mastio #1 for the 12th consecutive year** | | |

**Highest Average Rates ($/kWh) by State[1]:** Hawaii – $0.2481; Massachusetts – $0.1744; Connecticut – $0.1725; New Hampshire – $0.1721; New York – $0.1705

**U.S. National Average[1]:** $0.1074

[1] *Source: Edison Electric Institute (Summer 2017)*



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# Strong Credit Profile

## Credit ratios continue to be strong and supportive of credit ratings

| | | Undadjusted Credit Metrics | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FFO Interest Coverage | | | | FFO / Debt | | | | Debt / Total Capitalization | | |
| | Credit Ratings[1] | Average | LTM 9/30/17 | 2016 | 2015 | Average | LTM 9/30/17 | 2016 | 2015 | LTM 9/30/17 | 2016 | 2015 |
| Berkshire Hathaway Energy[2] | A3 / A- / BBB+ | **4.4x** | 4.5x | 4.3x | 4.5x | **16.6%** | 16.3% | 16.0% | 17.6% | 58% | 59% | 59% |
| **Regulated U.S. Utilities** | | | | | | | | | | | | |
| PacifiCorp[2] [3] | A1 / A+ / A+ | **5.5x** | 5.4x | 5.7x | 5.4x | **23.7%** | 24.0% | 24.1% | 23.2% | 48% | 50% | 49% |
| MidAmerican Energy[2] [3] | Aa2 / A+ / A+ | **7.6x** | 7.8x | 7.8x | 7.2x | **28.7%** | 29.2% | 30.4% | 26.6% | 46% | 46% | 48% |
| Nevada Power[2] [3] | A2 / A+ / A- | **5.1x** | 4.6x | 4.6x | 6.1x | **24.0%** | 21.0% | 21.6% | 29.5% | 52% | 51% | 51% |
| Sierra Pacific Power[2] [3] | A2 / A+ / A- | **5.7x** | 5.5x | 5.4x | 6.1x | **21.4%** | 17.6% | 20.7% | 25.7% | 49% | 51% | 53% |
| **Regulated Pipelines and Electric Distribution** | | | | | | | | | | | | |
| Northern Natural Gas | A2 / A / A | **9.6x** | 8.7x | 9.5x | 10.4x | **42.8%** | 37.9% | 41.8% | 48.7% | 34% | 36% | 36% |
| AltaLink, L.P.[3] | – / A / – / A | **2.9x** | 3.0x | 3.2x | 2.6x | **11.0%** | 11.5% | 11.8% | 9.6% | 62% | 62% | 62% |
| Northern Powergrid Holdings | Baa1 / A- / A- | **5.1x** | 4.9x | 5.1x | 5.1x | **20.8%** | 19.7% | 21.7% | 21.2% | 43% | 43% | 44% |
| Northern Powergrid (Northeast) | A3 / A / A- | | | | | | | | | | | |
| Northern Powergrid (Yorkshire) | A3 / A / A | | | | | | | | | | | |

*(1) Moody's / S&P / Fitch / DBRS. Ratings are issuer or senior unsecured ratings unless otherwise noted*
*(2) Refer to the Appendix for the calculations of key ratios*
*(3) Ratings are senior secured ratings*



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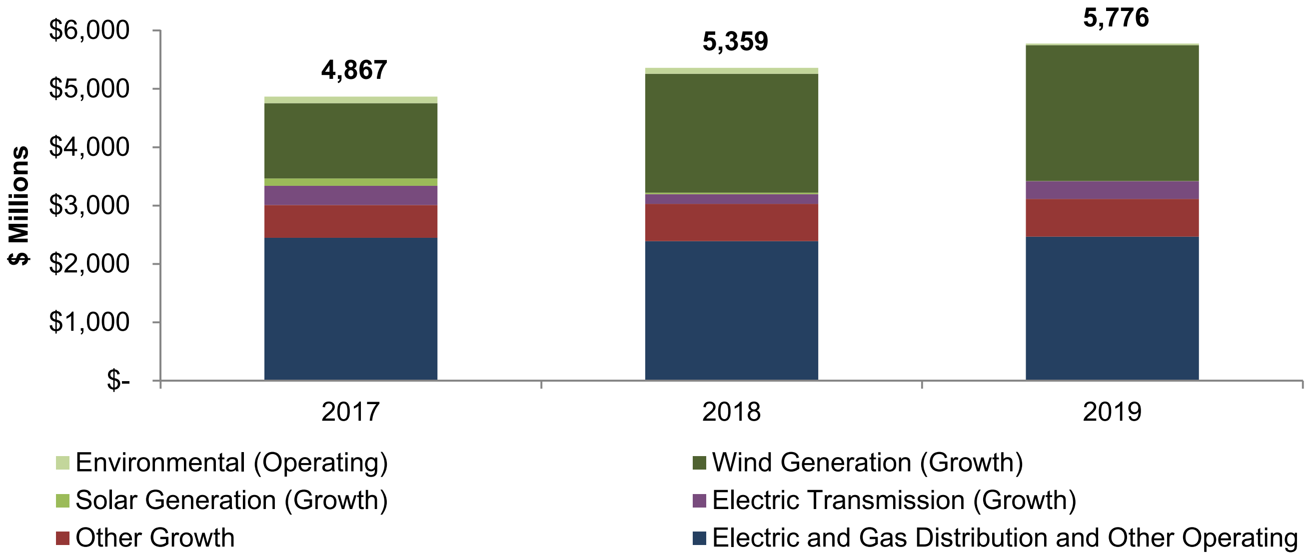
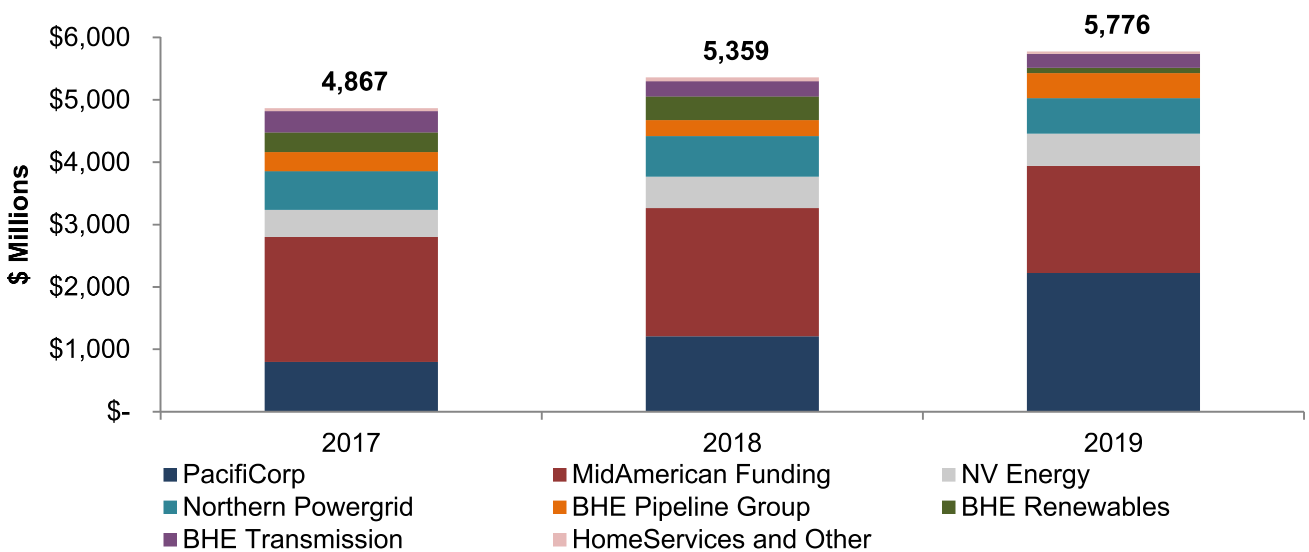
# 2017 – 2019 Projected Capital Expenditures




| Capital Expenditures by Type | ($ millions) 2017-2019 |
|---|---|
| Electric and Gas Distribution and Other Operating | $ 7,307 |
| Wind Generation (Growth) | 5,658 |
| Other Growth | 1,844 |
| Electric Transmission (Growth) | 802 |
| Environmental (Operating) | 238 |
| Solar Generation (Growth) | 153 |
| **Total** | **$ 16,002** |




| Capital Expenditures by Business | ($ millions) 2017-2019 |
|---|---|
| PacifiCorp | $ 4,227 |
| MidAmerican Energy | 5,780 |
| NV Energy | 1,455 |
| Northern Powergrid | 1,837 |
| BHE Pipeline Group | 968 |
| BHE Renewables | 778 |
| BHE Transmission | 808 |
| HomeServices and Other | 149 |
| **Total** | **$ 16,002** |



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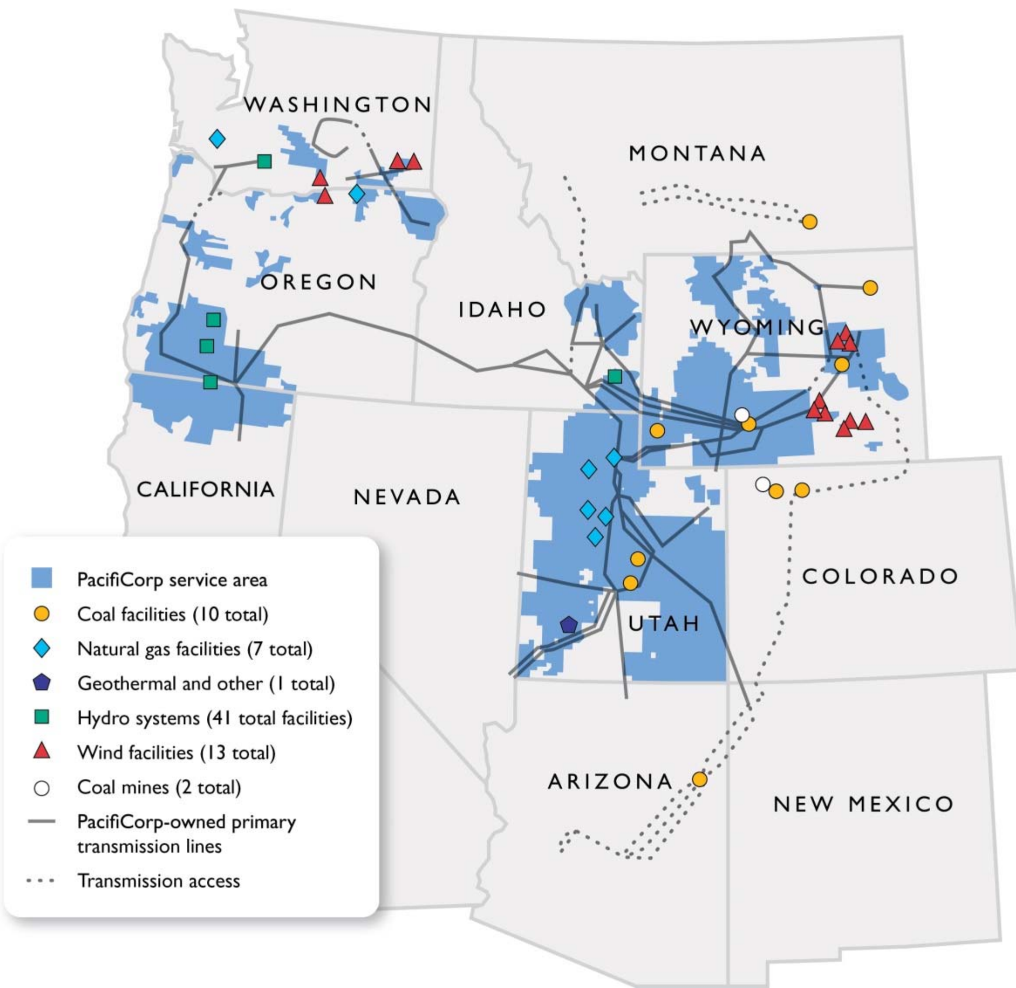
# PacifiCorp




- Headquartered in Portland, Oregon
- 5,400 employees
- 1.9 million electric customers in six western states
- 10,894 MW of owned capacity(1)
- Owned capacity by fuel type:

| | 9/30/17 | 3/31/06 |
|---|---|---|
| – Coal | 54% | 72% |
| – Natural gas | 25% | 13% |
| – Hydro(2) | 11% | 14% |
| – Wind, geothermal and other(2) | 10% | 1% |

*(1) Net MW owned in operation as of September 30, 2017*
*(2) All or some of the renewable energy attributes associated with generation from these generating facilities may be: (a) used in future years to comply with renewable portfolio standards or other regulatory requirements or (b) sold to third parties in the form of renewable energy credits or other environmental commodities*

# PacifiCorp – Business Update

- Actual retail load for the nine-months ended September 30, 2017, was 41,774 gigawatt-hours, a 2.4% increase versus the same time period for 2016 due to favorable weather, increased commercial and industrial customer usage, and an increase in average number of residential and commercial customers primarily in Utah, partially offset by lower residential customer usage
- Energy Vision 2020
  - PacifiCorp's Energy Vision 2020 program seeks to repower nearly 1,000 MW of existing company-owned wind facilities, acquire up to 1,270 MW of new wind projects and build a new 140-mile Gateway West transmission segment. On September 27, 2017, PacifiCorp issued a request for proposal seeking up to 1,270 MW of new wind. Regulatory review is currently underway in Idaho, Utah and Wyoming, with regulatory review after the projects go into service expected in California, Oregon and Washington
- Strong cost containment has minimized need for customer rate increases while continuing to improve safety, reliability and customer service
  - PacifiCorp has stay-out pledges in Utah, Oregon and Wyoming, with no rate cases until 2021
- Multi-year rate plans are in effect in several states and energy cost adjustment mechanisms exist in all six states PacifiCorp has operations
  - Washington regulators authorized a two-step rate increase, with $5.7 million (1.7%) effective October 2016 and $8.0 million (2.3%) effective September 2017; it also approved a revenue decoupling mechanism and accelerated depreciation schedule for Jim Bridger and Colstrip plants

# Utah Private Generation (PG) Update

- In November 2016, PacifiCorp filed applications in Utah to address cost shifting due to private generation
- A settlement was reached with parties and was approved by the UPSC September 29, 2017, ending the existing private generation program on November 15, 2017, and transitioning to a new program with a separate compensation rate for exported power
- Existing private generation customers (pre-November 15) will be grandfathered and continue to receive the full retail rate (about 10.60 ¢/kWh for residential customers) on that program until January 1, 2036
- A transition program for new customers will commence at the conclusion of the private generation program, for a limited number of customers, with a fixed export rate until January 1, 2033
  - New residential PG customers who install private generation by year-end 2019 will receive a credit of 9.2 ¢/kWh through 2032. Total new residential customers eligible for the credit rate will be capped at 170 MW
  - New PG rates for commercial customers will be 92.5% of average commercial energy rates through 2032. Commercial customer participation is capped at 70 MW
  - The program values imports (rates paid to the utility) and exports (rates paid by the utility for excess power sent to the grid) on a 15-minute basis
- A new program for PG customers who install private generation after 2019 is expected to be designed to determine the export credit for new customers



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

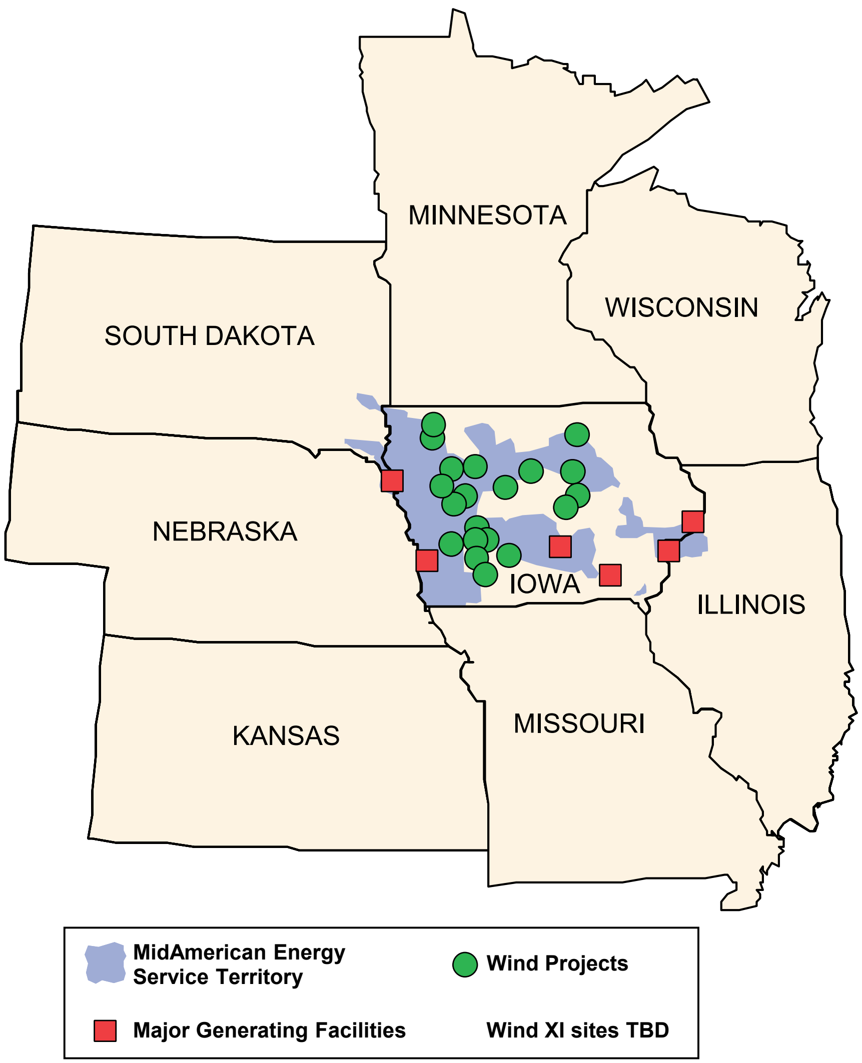
# PacifiCorp – Business Update

- Utah Sustainable Transportation and Energy Plan ("STEP")
  - PacifiCorp's application to implement the legislatively mandated STEP was approved by Utah regulators in three phases
  - The orders approved a five-year pilot program (2017 – 2022) with a budget of $10 million each year, including:
    - Electric vehicle charging infrastructure programs
    - Commercial line incentives for business
    - Curtailment of Gadsby Plant emissions during periods of air quality alerts
    - Investigate and implement new technologies
    - Clean Coal research programs
    - Cost recovery of Utah Solar Incentive Program pre-2017 expenditures
  - Demand Side Management costs are now deferred in a regulatory asset and amortized over 10 years
  - The plan also includes a risk mitigation fund to minimize the rate impact to customers in the event coal fueled generation plants are closed prematurely due to compliance requirements
  - Mandates full recovery of Utah's share of fuel, purchased power and other supply costs through EBA that is not fully in the base rates
- Oregon Clean Electricity and Coal Transition Plan signed into law by Gov. Brown in March 2016
  - Doubled renewable energy portfolio standard to 50%
    - 20% by 2020, 27% by 2025, 35% by 2030, 40% by 2035, 50% by 2040
    - Incorporates renewable energy credit banking provisions
  - Removes coal costs from Oregon rates by January 1, 2030
  - Provisions to protect customers and utilities
  - Allows Production Tax Credits to be annually adjusted as part of Net Power Cost adjustment



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# MidAmerican Energy




- Headquartered in Des Moines, Iowa
- 3,300 employees
- 1.5 million electric and natural gas customers in four Midwestern states
- 10,606 MW[1] of owned capacity
- Owned capacity by fuel type:

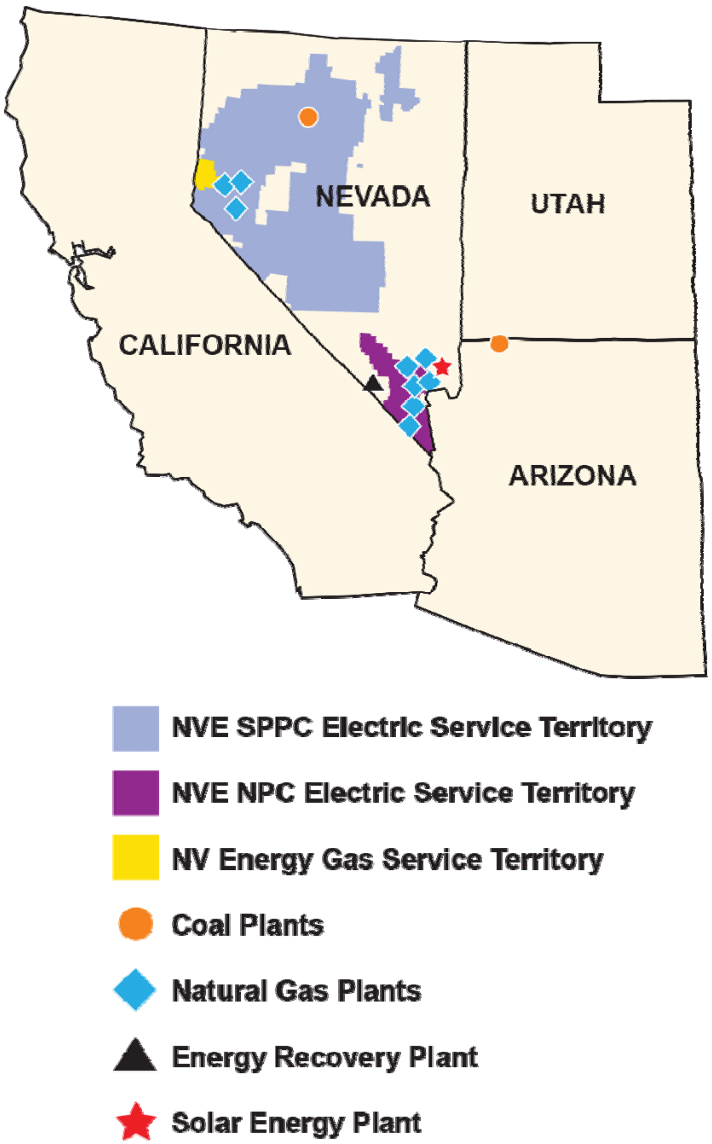
| | 9/30/17[1] | 12/31/00 |
|---|---|---|
| – Coal | 26% | 70% |
| – Natural gas | 13% | 19% |
| – Wind[2] | 57% | 0% |
| – Nuclear and other | 4% | 11% |

*[1] Net MW owned in operation and under construction as of September 30, 2017*
*[2] All or some of the renewable energy attributes associated with generation from these generating facilities may be: (a) used in future years to comply with renewable portfolio standards or other regulatory requirements or (b) sold to third parties in the form of renewable energy credits or other environmental commodities*

# MidAmerican Energy – Business Update

- Customer growth, warmer-than-normal summer weather and improved industrial sales helped offset mild winter weather, resulting in an increase in actual retail electric sales to 18,355 gigawatt-hours for the nine-months ended September 30, 2017, a 1.5% increase over the same period for 2016
- **Wind X Project** – Completed construction in November 2016 of the 551 MW wind-powered generation project in Iowa within the $888 million cost cap established by the Iowa Utilities Board (IUB)
- **Wind XI Project** – The IUB approved rate-making principles related to the construction of up to 2,000 MW of additional wind-powered generating facilities with a cost cap of $3.6 billion. MidAmerican Energy anticipates 338 MW to be placed in service in the fourth quarter of 2017, with the remaining facilities in service in 2018 and 2019
- Constructing transmission lines in Iowa and Illinois that are placed in-service from 2016-2018, with an estimated cost of $555 million, of which $492 million has been spent through September 30, 2017; projects have been designated as Multi-Value Projects by the MISO
- The IUB approved tariff modifications associated with the repowering of up to 706 General Electric wind turbines totaling 1,059 MW from the earliest vintage projects developed by MidAmerican Energy. The repowering effort upgrades various components of the turbines, improving capacity factors, and re-establishes production tax credits for another ten-year period at 100% of the allowed rate. MidAmerican Energy anticipates the completion of repowering of 273 turbines by the end of 2017 and the remainder in 2018 and 2019
- MidAmerican Energy continues to rank high in customer satisfaction as evidenced by being ranked No. 1 in overall customer satisfaction in the Midwest Large Segment in two J.D. Power studies (Residential Electric and Residential Natural Gas); being named both a Most Trusted Brand and an Environmental Champion in the Cogent Reports 2017 Utility Trusted Brand & Customer Engagement Study: Residential; and by being named a Most Trusted Business Partner in the Cogent Reports 2017 Utility Trusted Brand & Customer Engagement Study: Commercial

# NV Energy Overview




- Headquartered in Las Vegas, Nevada, with territory throughout Nevada
- 2,400 employees
- 1.27 million electric and 164,000 gas customers
- Service to 90% of Nevada population, along with tourist population in excess of 45 million
- 6,011 MW of owned power generation (91% natural gas, 9% coal/renewable/other)

NVEnergy

**Nevada Power Company**

- Provides electric services to Las Vegas and surrounding areas
- 922,000 electric customers
- 4,639 MW of owned power generation capacity[1]

**Sierra Pacific Power Company**

- Provides electric and gas services to Reno and northern Nevada
- 343,000 electric customers and 164,000 gas customers
- 1,372 MW of owned power generation capacity[1]

[1] *Net MW owned in operation and under construction as of September 30, 2017*

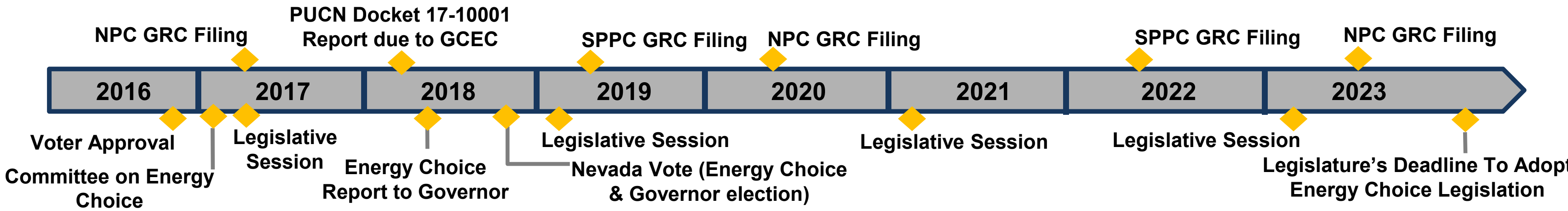
# NV Energy – Business Update

- April 2017: NV Energy purchased Southern Nevada Water Authority's 25% ownership in Silverhawk Generating Station, a 520 MW gas plant. NV Energy now owns 100% of the facility
- The Nevada Legislature passed Assembly Bill 405 in June 2017 and the Public Utilities Commission of Nevada (PUCN) approved the order in September 2017, which revised private generation in Nevada to include:
  - **Grandfathered Private Generation Customers** – Generation is netted against monthly usage and excess generation is captured in a kWh credit mechanism and carried over month to month
  - **New Private Generation Customers** – Generation is netted monthly of received and delivered energy. Excess energy is credited at the following rates (excluding public program costs) and any unused balance is carried over month to month:
    - **1st 80 MW** – 95% of retail rate (10.5 ¢/kWh and 8.1 ¢/kWh for residential customers at Nevada Power and Sierra Pacific, based on 7/1/2017 effective rates)
    - **2nd 80 MW** – 88% of retail rate
    - **3rd 80 MW** – 81% of retail rate
    - **Excess of previous 240 MW** – 75% of retail rate
  - Rates will be effective December 1, 2017
- June 2017: Nevada Power Company rate review filing with a goal of not increasing customer rates. Hearings are in progress and scheduled to be completed by mid-December 2017; settlement negotiations underway
- September 2017: Stipulation favorably resolving Nevada Power Company electric and Sierra Pacific Power Company electric and natural gas deferred energy accounting adjustment proceedings approved by Public Utilities Commission of Nevada for all components of stipulation



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Nevada Energy Choice Update




**Recent Events:**

- September 2017: Governor's Committee on Energy Choice (GCEC) passed motion to petition PUCN to open investigatory docket developing timeline, identifying programs and statues requiring revision, and analyzing wholesale and retail market structures for Energy Choice Initiative (ECI) implementation
- October 2017: PUCN opens Docket No. 17-10001, an investigation into issues (including all costs and benefits) related to ECI and possible restructuring of Nevada's energy market; final report to GCEC by April 2018
- NV Energy will participate in the PUCN workshops and hearings starting in January 2018 and has a seat on GCEC

| Considerations | |
|---|---|
| **Debt Maturities** | • Legislature could enact Energy Choice anytime during the 2018 – 2023 period<br>• Recent deleveraging strengthened both utilities' equity ratios and financing flexibility<br>• Bondable property exceeds outstanding debt, and is expected (excluding generation) to be sufficient to support transmission and distribution leverage, minimizing risk that debt is called because of insufficient property basis<br>• 2018-2019 debt maturities may be refinanced with shorter tenures to maximize recapitalization options and 'call' flexibility and minimize potential make whole premiums, if necessary |
| **Adequate Liquidity** | • $650 million revolver capacity available<br>• $125 million of issuance capacity under tax exempts<br>• Effective SEC shelf registrations at NPC, $1.8 billion<br>• Strong cash generation |



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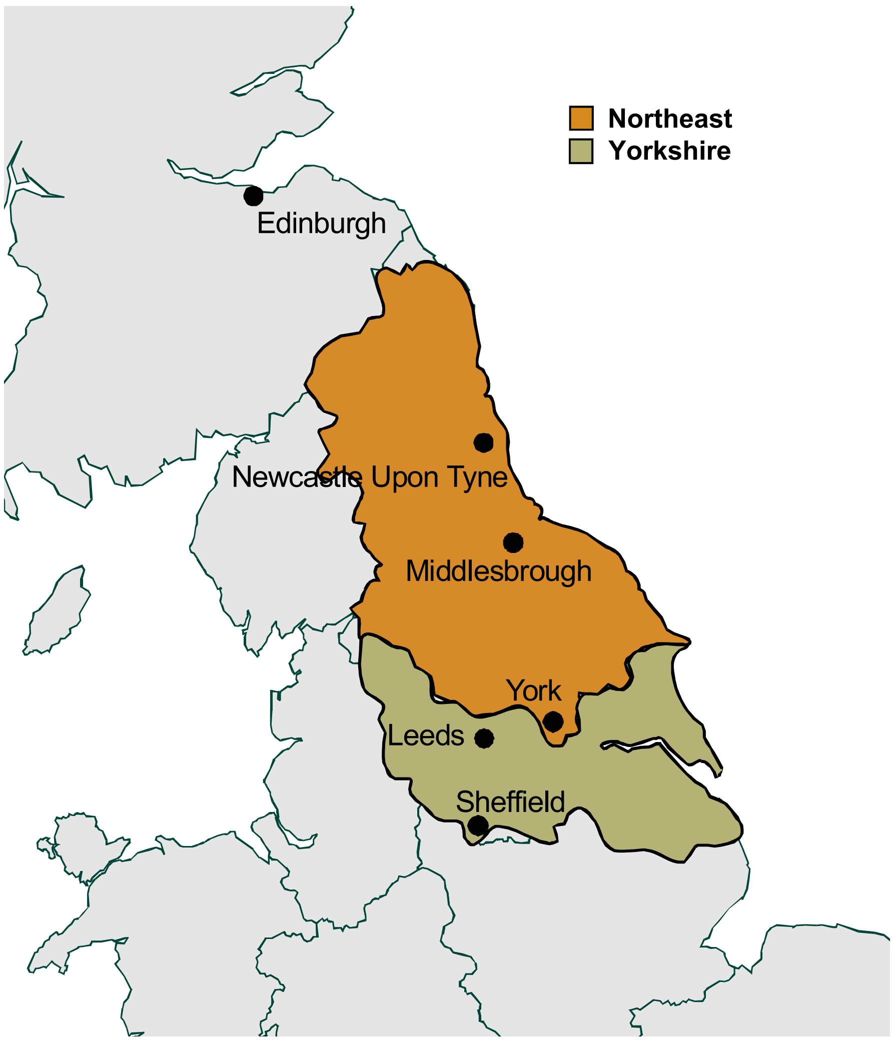
# Northern Powergrid




- 3.9 million end-users in northern England
- Approximately 61,000 miles of distribution lines
- Approximately 63% of 2017 distribution revenue from residential and commercial customers through September 30, 2017
- Distribution revenue (£ millions):

| | Nine Months Ended | |
|---|---|---|
| | 9/30/17 | 9/30/16 |
| Residential | 228 | 243 |
| Commercial | 70 | 81 |
| Industrial | 171 | 154 |
| Other | 5 | 5 |
| Total | 474 | 482 |

- Strong first quarter of the ED1 period (eight-year price control started April 2015) with total expenditure for the period to date at 95.1% of allowances. The company is well positioned in respect of the long-term commitments made to customers
- Smart meter rental business has been a success from its initial launch in April 2014 with the company securing 10 contracts from large suppliers to deploy 3.5 million meters before the end of 2019, resulting in total capital deployed to over £500 million. In 2017 closed a £200 million secured, non-recourse, financing facility for the business



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# Northern Natural Gas


- 14,700 miles of natural gas pipeline
- 5.8 Bcf per day of market area design capacity;
  1.7 Bcf per day field area capacity
- More than 79 Bcf firm service and operational storage cycle capacity
- 90% of transportation and storage revenue through September 30, 2017, is based on demand charges
  - Market area transportation contracts have a weighted average contract term of 5 years
  - Storage contracts have a weighted average contract term of 7 years
- Increased the integrity and reliability of the pipeline
- Ranked No. 1 among 16 mega-pipelines and No. 1 among 36 interstate pipelines in 2017 Mastio & Company customer satisfaction survey



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Kern River


- 1,700-mile interstate natural gas transmission pipeline system
- Design capacity of 2.2 million Dth per day of natural gas
- 93% of revenue through September 30, 2017, is based on demand charges
  - Contracted capacity has a weighted average contract term of 11 years
- Kern River delivered nearly 26%[1] of California's natural gas demand in 2016
- Ranked No. 2 among 36 interstate pipelines in 2017 Mastio & Company customer satisfaction survey

[1] *2017 California Gas Report*

# AltaLink, L.P.


- AltaLink is an owner and operator of regulated electricity transmission facilities in the Province of Alberta
  - Supplies electricity to approximately 85% of Alberta's population
- AltaLink owns approximately 8,150 miles of transmission lines and 309 substations within the Province of Alberta
  - No volume or commodity exposure
  - Supportive regulatory environment
  - Revenue from AA- rated Alberta Electric System Operator (AESO)
- Mid-year 2017 forecast rate base of C$7.4 billion and CWIP of C$148 million

# AltaLink Regulatory Update

**2015-2016 General Tariff Application (GTA)**

- Tariff relief of C$600 million (2015-2018) approved

**2014+ Direct Assign Capital Deferral Account (DACDA)**

- The 2014+ DACDA application, which was filed on April 5, 2017, seeks approval for C$2.0 billion of capital projects, C$0.9 billion of which relates to 2014 and C$1.1 billion to 2015
- AltaLink is also seeking to recover approximately C$48 million of cancelled project expenses

**2018-2020 Generic Cost of Capital Decision (GCOC)**

- ROE for 2017 is set at 8.50% (8.30% for 2016)
- Equity thickness of 37% for 2017 and 2016
- First evidence for the 2018-2020 GCOC process was filed October 31, 2017, with a hearing scheduled for Q1 2018

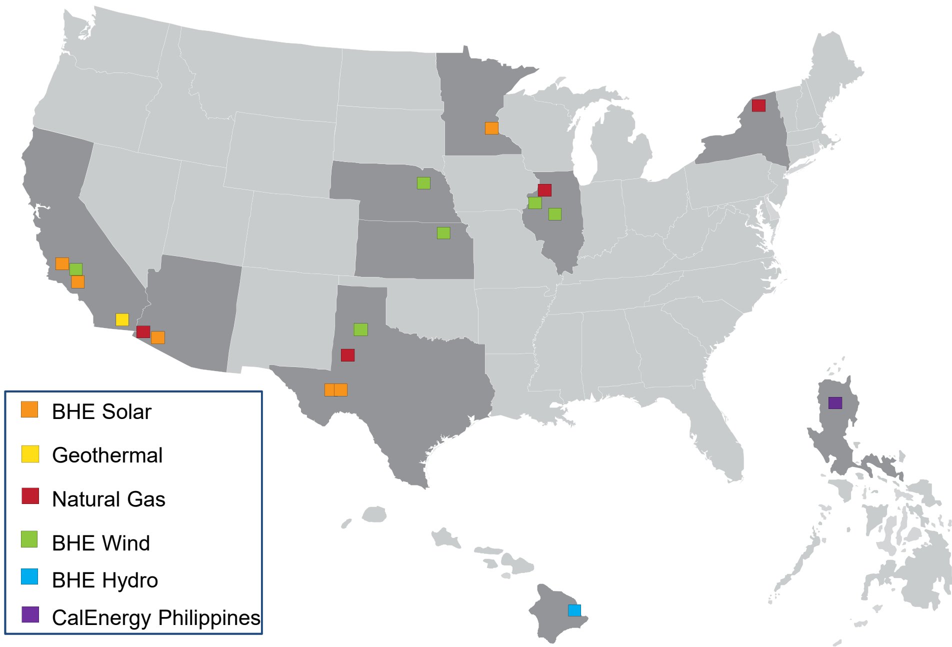
**2017-2018 GTA**

- Traditionally AUC did not allow GTA negotiated settlement
- Successfully reached a negotiated settlement in principle on January 27, 2017
- Filing of the negotiated settlement took place on February 8, 2017, which included C$58 million of additional savings for customers and C$130.3 million related to a depreciation surplus refund
- Final Decision was received on August 30, 2017, with the regulator approving additional customer tariff relief of C$50 million, which includes a depreciation surplus refund of C$31.4 million



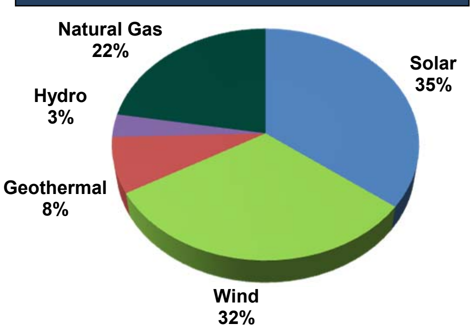
[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# BHE Renewables

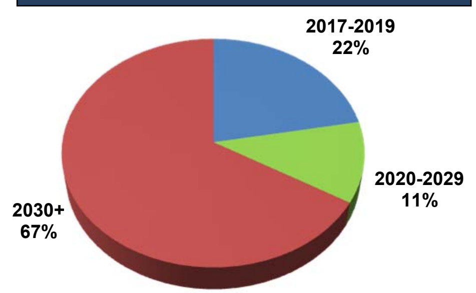



| | Location | Installed | PPA Expiration | Power Purchaser | Net or Contract Capacity (MW) | Net Owned Capacity (MW) |
|---|---|---|---|---|---|---|
| SOLAR | | | | | | |
| Solar Star I & II | CA | 2013-2015 | 2035 | SCE | 586 | 586 |
| Topaz | CA | 2013-2014 | 2040 | PG&E | 550 | 550 |
| Agua Caliente | AZ | 2012-2013 | 2039 | PG&E | 290 | 142 |
| Alamo 6 | TX | 2017 | 2042 | CPS | 110 | 110 |
| Community Solar Gardens | MN | 2016-2017 | (2) | (2) | 96 | 96 |
| Pearl | TX | 2017 | 2042 | CPS | 50 | 50 |
| | | | | | 1,682 | 1,534 |
| WIND | | | | | | |
| Grande Prairie | NE | 2016 | 2037 | OPPD | 400 | 400 |
| Pinyon Pines I & II | CA | 2012 | 2035 | SCE | 300 | 300 |
| Jumbo Road | TX | 2015 | 2033 | AE | 300 | 300 |
| Walnut Ridge | IL | 2018 | 2028 | USGSA | 212 | 212 |
| Bishop Hill II | IL | 2012 | 2032 | Ameren | 81 | 81 |
| Marshall Wind | KS | 2016 | 2036 | (3) | 72 | 72 |
| | | | | | 1,365 | 1,365 |
| GEOTHERMAL | | | | | | |
| Imperial Valley | CA | 1982-2000 | (4) | (4) | 338 | 338 |
| HYDROELECTRIC | | | | | | |
| Casecnan | Phil. | 2001 | 2021 | NIA | 150 | 128 |
| Wailuku | HI | 1993 | 2023 | HELCO | 10 | 10 |
| | | | | | 160 | 138 |
| NATURAL GAS | | | | | | |
| Cordova | IL | 2001 | 2019 | EGC | 512 | 512 |
| Power Resources | TX | 1988 | 2018 | EDF | 212 | 212 |
| Saranac | NY | 1994 | 2019 | TEMUS | 245 | 196 |
| Yuma | AZ | 1994 | 2024 | SDG&E | 50 | 50 |
| | | | | | 1,019 | 970 |
| Total Owned and Under Construction | | | | | 4,564 | 4,345 |

## Portfolio Composition (1)




## Contract Maturities (1)




(1) *Based on net owned capacity of 4,345 MW in operation and under construction as of September 30, 2017*
(2) *Forecast approximately 100 off-takers for the purchase of all the energy produced by the solar portfolio for a period up to 25 years*
(3) *Separate PPAs exist with Missouri Joint Municipal Electric Commission (20 MW), Kansas Power Pool (25 MW), City of Independence, Missouri (20 MW) and Kansas Municipal Energy Agency (7 MW)*
(4) *The majority of the Imperial Valley Projects' Contract Capacity is currently sold to Southern California Edison Company under long-term power purchase agreements expiring through 2026. Certain long-term power purchase agreement renewals have been entered into with other parties that begin upon the existing contracts' expiration and expire in 2039*

# BHE Renewables Update

## Solar

- Community Solar Gardens
  - 64 MW community solar gardens project acquired in January 2016, 28 MW achieved commercial operation by October 2017, and is 100% subscribed
  - 32 MW community solar gardens project acquired in 2015, started commercial operation as of February 1, 2017, and is 100% subscribed
- Alamo 6
  - 110 MW project acquired in January 2017, with commercial operation achieved in March 2017
- Pearl
  - 50 MW project acquired in August 2017, with commercial operation achieved in October 2017

## Wind

- Walnut Ridge
  - 212 MW project currently under construction, commercial operation expected by the end of 2018
- Tax Equity
  - BHE has entered into renewable tax equity investments of approximately $1.4 billion of which approximately $1.1 billion has been funded to date, and $0.3 billion has been committed through 2018



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Near-Term Financing Plan

- Berkshire Hathaway Energy
  - Approximately $700 million parent senior debt financing in late 2017 or first quarter 2018
- PacifiCorp
  - Approximately $700 million debt financing in mid-2018
- MidAmerican Energy
  - Approximately $900 million debt financing in the first half 2018
  - Approximately $70 million tax-exempt debt financing in late 2017 and an additional $80 million in late 2018
- Nevada Power Company
  - Approximately $800 million debt financing in the first half 2018
- Northern Powergrid
  - Approximately £150 million debt financing in the second half 2018 at Northern Powergrid Yorkshire
- Northern Natural Gas
  - Approximately $500 million debt financing in mid-2018



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Appendix

# Improve Safety Culture and Work Environment

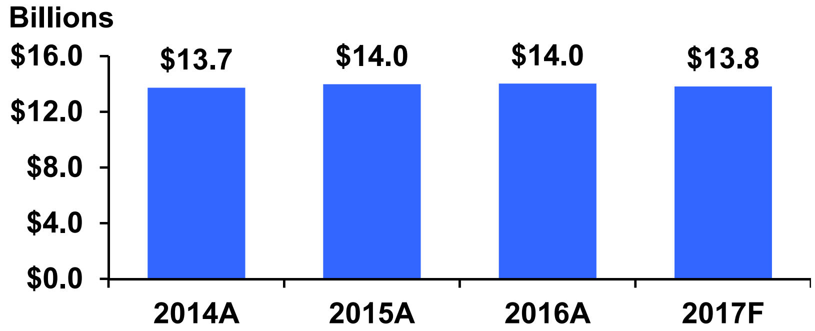
- Berkshire Hathaway Energy's incident rate has declined from 1.91 in 2006 to 0.74 YTD September 30, 2017 – a 61% improvement
  - We are committed to ensuring a safe working environment across the organization, with many of our businesses having operated at incident rates below 1.0 for many years

| Berkshire Hathaway Energy Businesses with Incident Rate ≤ 1.0 | |
|---|---|
| CalEnergy Philippines | 22 years |
| Northern Powergrid | 14 years |
| Northern Natural Gas | 8 years |
| BHE U.S. Transmission | 5 years |
| Kern River | 5 years |
| AltaLink | 4 years |
| MidAmerican Energy | 4 years |
| Pacific Power | 3 years |

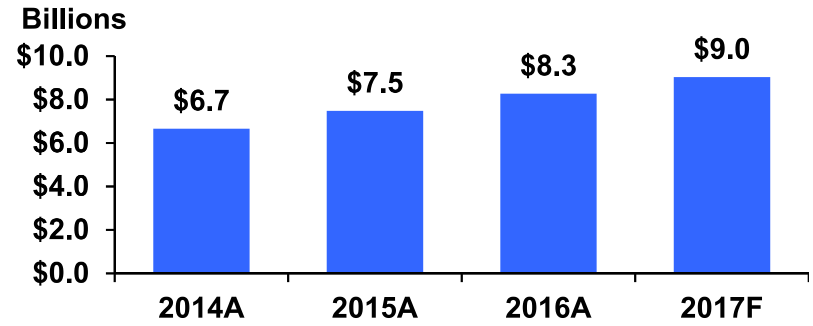
  - The industry top decile incident rate in 2017 is 1.71 – more than 2.3x higher than our 2017 YTD incident rate

# Mid-Year Average Rate Base

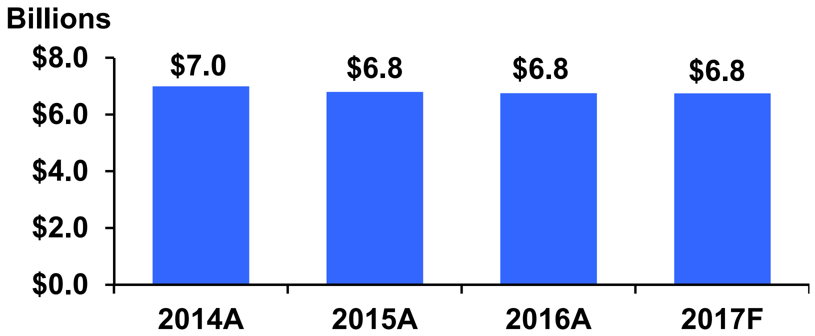
## PacifiCorp



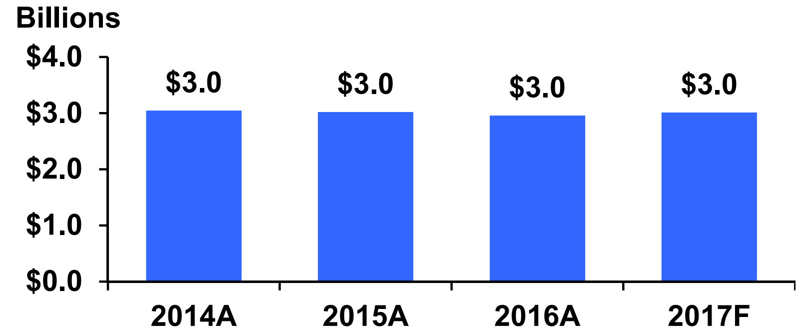

## MidAmerican Energy




## NV Energy




## BHE Pipeline Group



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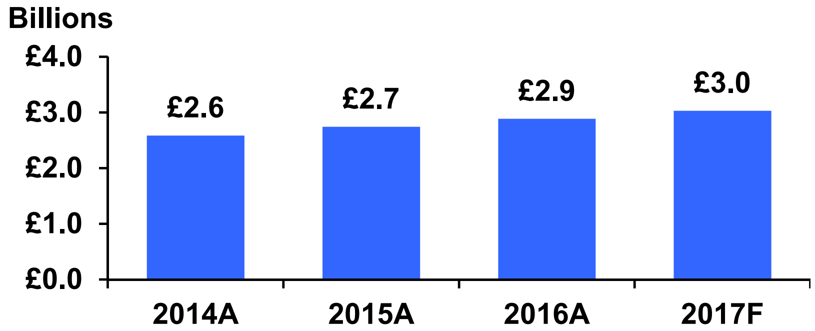
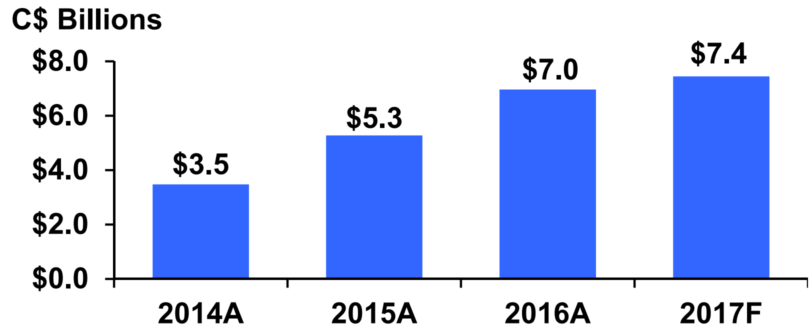
# Mid-Year Average Rate Base

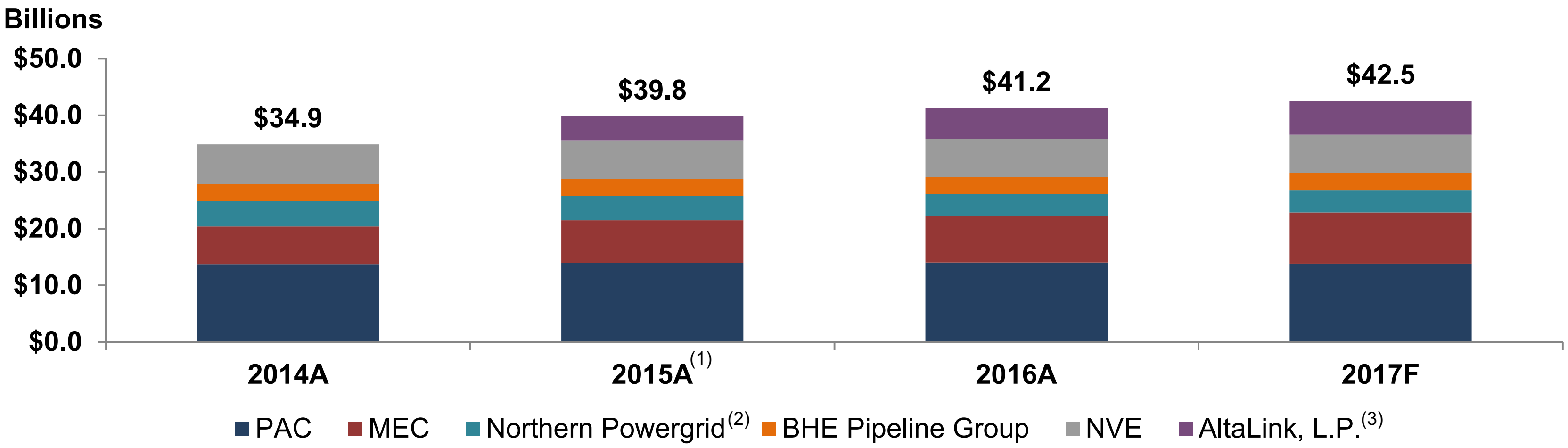
## Northern Powergrid




## AltaLink, L.P.




## Berkshire Hathaway Energy

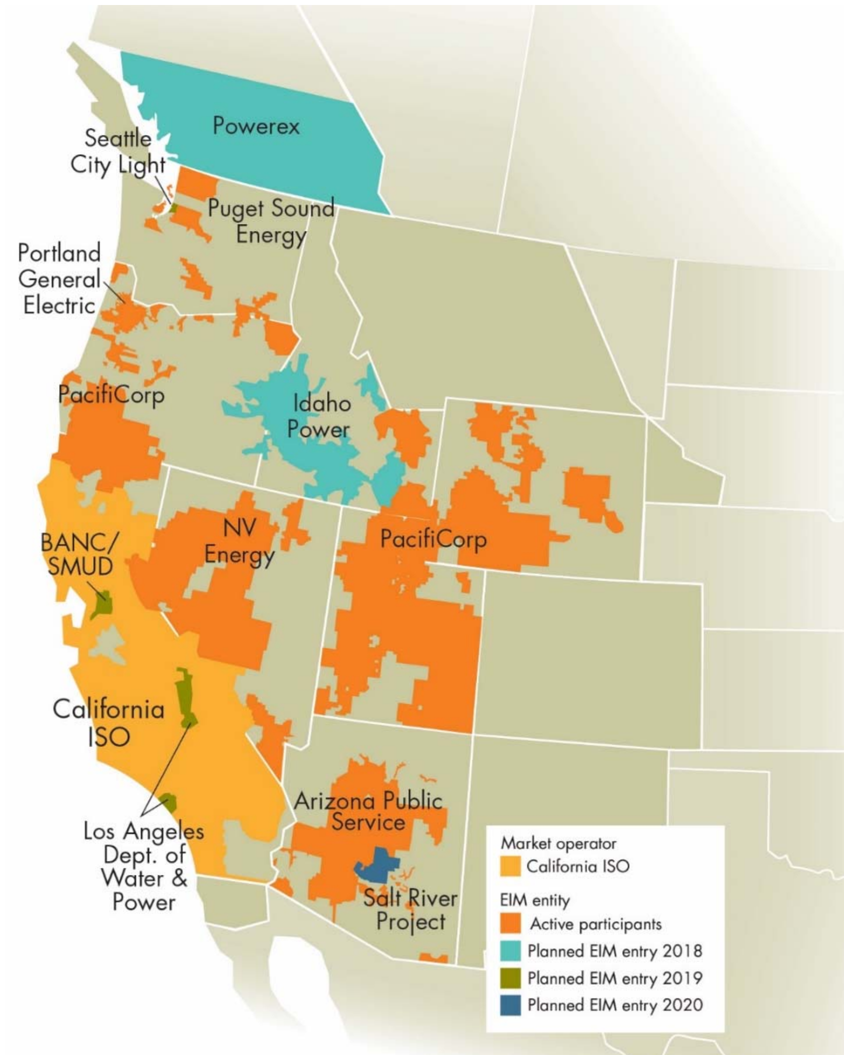



(1) *2015 includes the addition of AltaLink, L.P., which was acquired on December 1, 2014*

(2) *Northern Powergrid rate base converted into USD at the June 30 USD/GBP FX rate each year including 1.7106 (2014), 1.5712 (2015), 1.3311 (2016), and 1.3000 (2017 estimate)*

(3) *AltaLink, L.P. rate base converted into USD at the June 30 CAD/USD FX rate each year including 1.2494 (2015), 1.2924 (2016) and 1.2500 (2017 estimate)*

# Deliver Reliable and Affordable Energy
# Energy Imbalance Market




- The energy imbalance market is now in its third year with cumulative benefits totaling $255 million through September 2017. PacifiCorp's customers have benefited by $107 million since November 2014, and NV Energy, which joined a year later, has realized benefits of $34 million

**Benefits November 2014 – September 2017**

| Balancing Area Authority | Total ($ millions) |
|---|---|
| CAISO | $74.7 |
| PacifiCorp | $107.0 |
| NV Energy | $34.2 |
| Arizona Public Service | $30.5 |
| Puget Sound Energy | $8.6 |
| **Total** | **$255.0** |



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Private Generation (PG) Penetration Rate

## Berkshire Hathaway Energy – Impact of Private Generation

| | PG Customers as of September 2017 | Total Electric Customers as of September 2017 | PG Portion of Total Customers |
|---|---|---|---|
| **MidAmerican Energy Company** | | | |
| Iowa | 511 | 681,869 | 0.07% |
| Illinois | 22 | 85,197 | 0.03% |
| South Dakota | 0 | 4,982 | 0.00% |
| **PacifiCorp** | | | |
| Utah | 25,012 | 893,458 | 2.80% |
| Oregon | 5,821 | 581,268 | 1.00% |
| Wyoming | 261 | 140,597 | 0.19% |
| Washington | 761 | 130,532 | 0.58% |
| Idaho | 287 | 77,984 | 0.37% |
| California | 356 | 45,075 | 0.79% |
| **NV Energy** | | | |
| Nevada | 25,949 | 1,265,307 | 2.05% |
| **Total BHE Customers** | **58,980** | **3,906,269** | **1.51%** |



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Consolidated Environmental Position

- We have significantly reduced our carbon footprint
  - Since 2000, we have added approximately 10 GW of wind and solar powered assets to our generation capacity portfolio as of September 30, 2017
  - Owned coal-fueled capacity has declined as a percentage of BHE's generation capacity portfolio from 51% in 2000 to 29% as of September 30, 2017
- Coal Combustion Residuals – managing under current regulatory requirements; however, EPA is reconsidering portions of the final rule
  - PacifiCorp has 6 active surface impoundments and 4 landfills; 3 inactive surface impoundments are undergoing closure
  - MidAmerican Energy currently operates 4 active surface impoundments and 4 active landfills. In addition, MidAmerican Energy has 6 inactive surface impoundments; 2 have been closed, 3 more will complete closure by December 2017, and 1 is continuing closure activities
  - NV Energy operates 2 active evaporative surface impoundments and 2 landfills; all other surface impoundments are undergoing closure by removal
- Effluent Limitation Guidelines
  - For BHE's operating companies, impacted waste streams are limited to bottom ash or fly ash transport water, combustion residual leachate and non-metal cleaning wastes
  - With minor exceptions, most new requirements are addressed by compliance with the coal combustion residuals rule
  - EPA issued a final rule September 18, 2017, extending certain compliance dates for flue gas desulfurization wastewater and bottom ash transport water limits from November 2018 to November 2020



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Reducing Carbon Footprint

- Through fuel switching and retirements, BHE's utilities expect to eliminate 2,645 MW of coal generation through 2025

| Coal MW as of Dec. 31, 2013[1] | 10,536 MW |
|---|---|
| Riverside 3 – retired in 2014 | (4) MW |
| Reid Gardner 1-3 – retired in 2014 | (300) MW |
| Carbon 1 and 2 – retired in 2015 | (172) MW |
| Riverside 5 – conversion to natural gas in 2015 | (124) MW |
| Walter Scott 1 and 2 – retired in 2015 | (124) MW |
| Neal 1 and 2 – retired in 2016 | (390) MW |
| Reid Gardner 4 – retired in 2017 | (257) MW |
| Naughton 3 – natural gas conversion or retire | (280) MW |
| Navajo – interest to be divested in 2019 | (255) MW |
| Cholla 4 – natural gas conversion or retire | (395) MW |
| Craig 1 – natural gas conversion or retire | (83) MW |
| North Valmy – to be retired in 2025 | (261) MW |
| **Coal MW as of Dec. 31, 2025** | **7,891 MW** |

[1] *Adjusted for re-rating of coal plants between December 31, 2013 and September 30, 2017, including plants still in operation and retired*



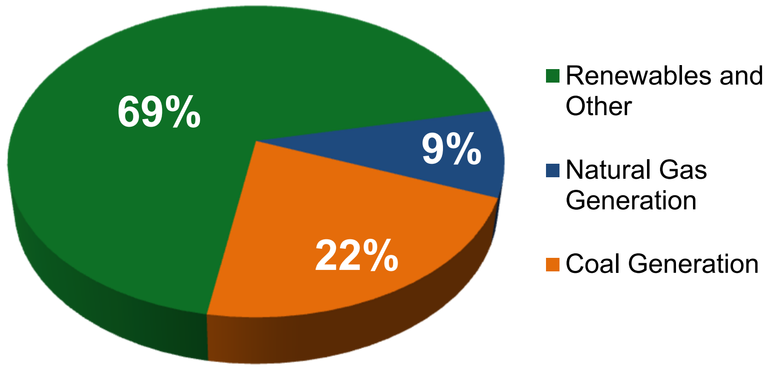
[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# PacifiCorp Environmental Position

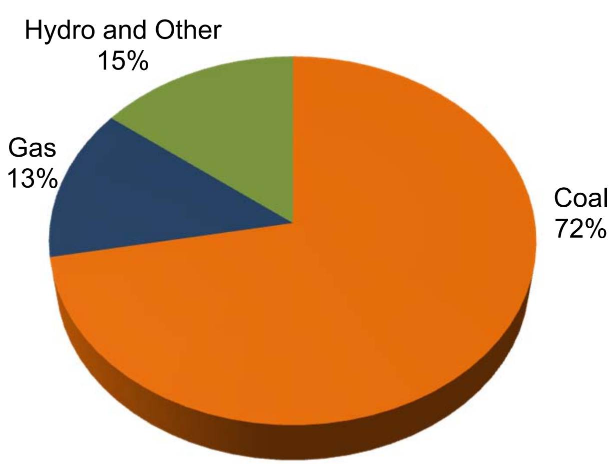
- Power capacity (MW) increase primarily attributed to:
  - 1,654 MW Natural Gas - Lake Side 1 & 2 and Chehalis
  - 998 MW Wind - 594 MW Eastside and 404 MW Westside
  - (172) MW Coal - retired Carbon plant
- Projected environmental capital spend[1]
  - $65 million from 2017-2019

**Asset Profile**

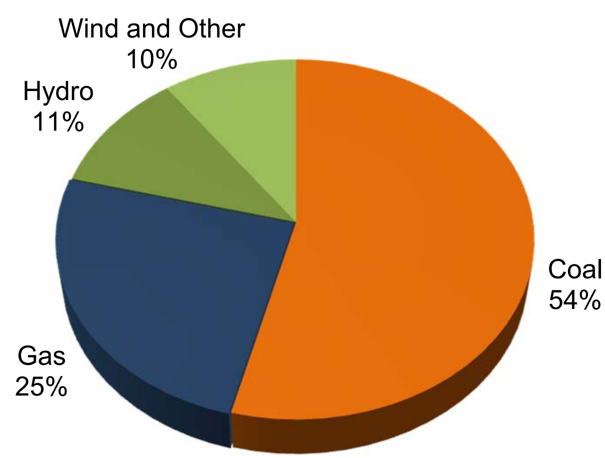
**Net Property, Plant and Equipment as of December 31, 2016**




**March 31, 2006**
**Power Capacity – 8,470 MW [2]**




**September 30, 2017**
**Power Capacity – 10,894 MW [2]**




*[1] Environmental expenditures forecast includes PacifiCorp's share of minority-owned Craig, Cholla, Colstrip and Hayden plants. Amounts include debt AFUDC and escalation but exclude non-cash equity AFUDC*

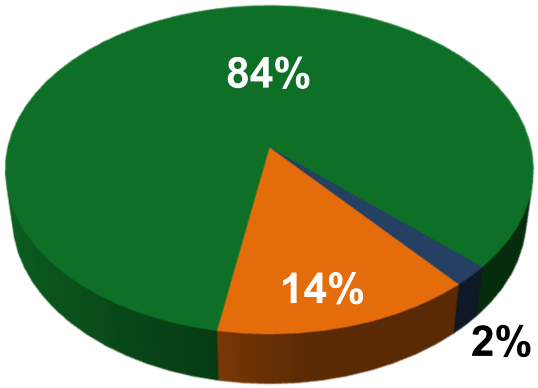
*[2] Net MW owned in operation and under construction*

# MidAmerican Energy Environmental Position

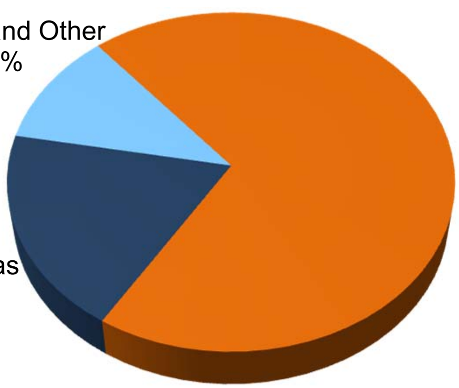
- Effective with the retirement of Neal Units 1 and 2 in April 2016, MidAmerican Energy has 2,718 MW[(1)] of coal-fueled generation capacity remaining
- Projected environmental capital spend[(2)]
  - $270 million from 2017-2019

**Asset Profile**

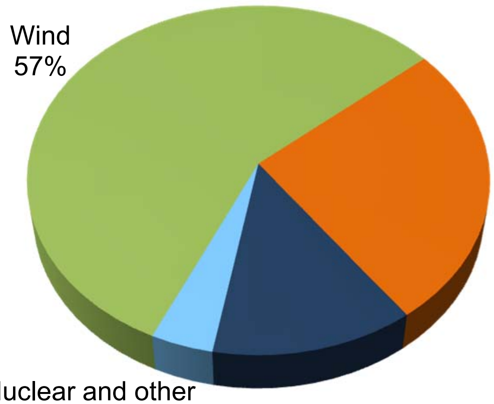
**Net Property, Plant and Equipment as of December 31, 2016**




**December 31, 2000**
**Power Capacity – 4,086 MW [(3)]**




**September 30, 2017**
**Power Capacity – 10,606 MW [(3)]**




[(1)] *Net owned capacity as of September 30, 2017*

[(2)] *Environmental capital expenditures forecast excludes equity AFUDC*

[(3)] *Net MW owned in operation and under construction*



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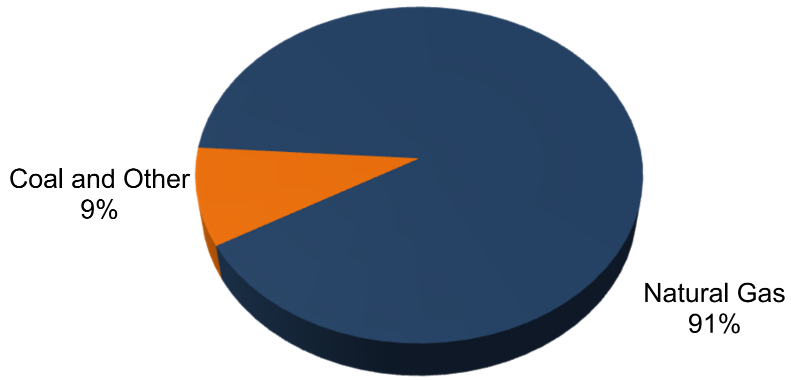
# NV Energy Environmental Position

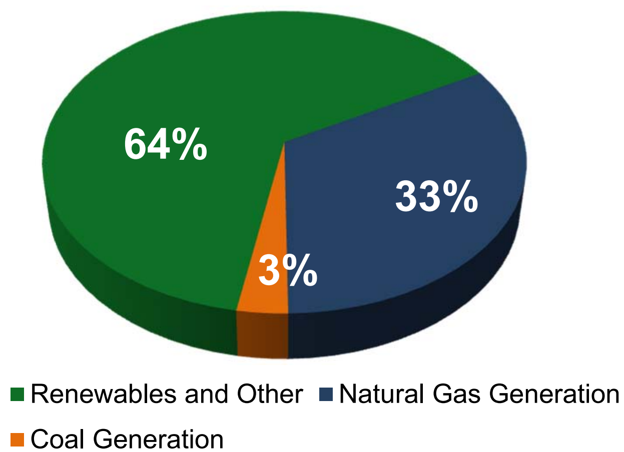
- NV Energy is reducing use of coal-fueled generation to zero
  - 2017 retirement of Reid Gardner Unit 4 (257 MW)
  - 2019 elimination of Navajo interest (255 MW)
  - 2025 retirement of North Valmy (261 MW)
- Forecast[1] environmental expenditures include $4 million in 2017, $11 million in 2018 and $7 million in 2019

**September 30, 2017**
**Power Capacity – 6,011 MW [2]**



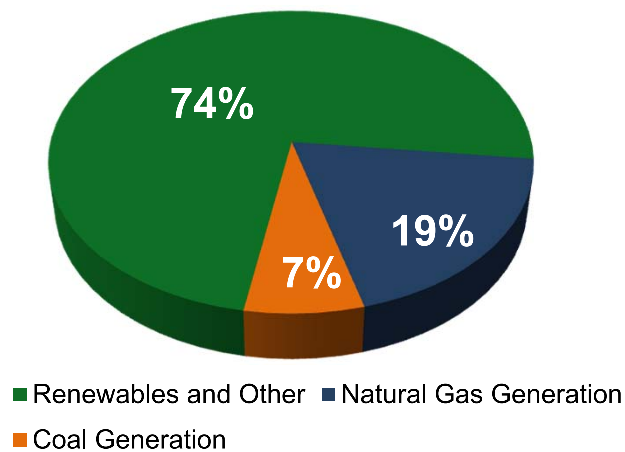

**Nevada Power Asset Profile**

**Net Property, Plant and Equipment as of December 31, 2016**




**Sierra Pacific Power Asset Profile**

**Net Property, Plant and Equipment as of December 31, 2016**




*[1] Environmental capital expenditures forecast excludes equity AFUDC*

*[2] Net MW owned in operation and under construction*



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# Retail Electric Sales – Weather Normalized

| | Year-to-Date September 30 | | Variance | |
|---|---|---|---|---|
| *(GWh)* | 2017 | 2016 | Actual | Percent |
| **PacifiCorp** | | | | |
| Residential | 11,836 | 11,910 | (74) | -0.6% |
| Commercial | 13,058 | 12,502 | 556 | 4.4% |
| Industrial and Other | 16,041 | 16,229 | (188) | -1.2% |
| Total | 40,935 | 40,641 | 294 | 0.7% |
| **MidAmerican Energy** | | | | |
| Residential | 4,764 | 4,832 | (68) | -1.4% |
| Commercial | 2,826 | 2,815 | 11 | 0.4% |
| Industrial and Other | 10,806 | 10,212 | 594 | 5.8% |
| Total | 18,396 | 17,859 | 537 | 3.0% |
| **Nevada Power** | | | | |
| Residential | 7,565 | 7,639 | (74) | -1.0% |
| Commercial | 3,606 | 3,572 | 34 | 1.0% |
| Industrial and Other | 4,960 | 5,901 | (941) | -15.9% |
| Distribution Only Service | 1,334 | 304 | 1,030 | NM |
| Total | 17,465 | 17,416 | 49 | 0.3% |
| **Sierra Pacific Power** | | | | |
| Residential | 1,782 | 1,821 | (39) | -2.1% |
| Commercial | 2,256 | 2,241 | 15 | 0.7% |
| Industrial and Other | 2,344 | 2,244 | 100 | 4.5% |
| Distribution Only Service | 1,040 | 1,018 | 22 | 2.2% |
| Total | 7,422 | 7,324 | 98 | 1.3% |
| **Northern Powergrid** | | | | |
| Residential | 9,112 | 9,292 | (180) | -1.9% |
| Commercial | 3,270 | 4,056 | (786) | -19.4% |
| Industrial and Other | 13,619 | 13,250 | 369 | 2.8% |
| Total | 26,001 | 26,598 | (597) | -2.2% |



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# Retail Electric Sales – Actual

| (GWh) | Year-to-Date September 30 2017 | Year-to-Date September 30 2016 | Variance Actual | Variance Percent |
|---|---|---|---|---|
| **PacifiCorp** | | | | |
| Residential | 12,410 | 11,909 | 501 | 4.2% |
| Commercial | 13,303 | 12,863 | 440 | 3.4% |
| Industrial and Other | 16,061 | 16,004 | 57 | 0.4% |
| Total | 41,774 | 40,776 | 998 | 2.4% |
| **MidAmerican Energy** | | | | |
| Residential | 4,753 | 5,018 | (265) | -5.3% |
| Commercial | 2,796 | 2,859 | (63) | -2.2% |
| Industrial and Other | 10,806 | 10,212 | 594 | 5.8% |
| Total | 18,355 | 18,089 | 266 | 1.5% |
| **Nevada Power** | | | | |
| Residential | 7,899 | 7,802 | 97 | 1.2% |
| Commercial | 3,669 | 3,600 | 69 | 1.9% |
| Industrial and Other | 5,024 | 5,927 | (903) | -15.2% |
| Distribution Only Service | 1,367 | 305 | 1,062 | NM |
| Total | 17,959 | 17,634 | 325 | 1.8% |
| **Sierra Pacific Power** | | | | |
| Residential | 1,904 | 1,798 | 106 | 5.9% |
| Commercial | 2,271 | 2,241 | 30 | 1.3% |
| Industrial and Other | 2,358 | 2,247 | 111 | 4.9% |
| Distribution Only Service | 1,041 | 1,019 | 22 | 2.2% |
| Total | 7,574 | 7,305 | 269 | 3.7% |
| **Northern Powergrid** | | | | |
| Residential | 9,027 | 9,207 | (180) | -2.0% |
| Commercial | 3,247 | 4,036 | (789) | -19.5% |
| Industrial and Other | 13,618 | 13,250 | 368 | 2.8% |
| Total | 25,892 | 26,493 | (601) | -2.3% |



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Financial Information

*($ millions)*

| Operating Revenue | LTM 9/30/2017 | Years Ended 12/31/2016 | Years Ended 12/31/2015 |
|---|---|---|---|
| PacifiCorp | $ 5,238 | $ 5,201 | $ 5,232 |
| MidAmerican Funding | 2,793 | 2,631 | 2,515 |
| NV Energy | 2,970 | 2,895 | 3,351 |
| Northern Powergrid | 932 | 995 | 1,140 |
| BHE Pipeline Group | 974 | 978 | 1,016 |
| BHE Transmission | 699 | 502 | 592 |
| BHE Renewables | 808 | 743 | 728 |
| HomeServices | 3,151 | 2,801 | 2,526 |
| BHE and Other | 606 | 676 | 780 |
| Total Operating Revenue | $ 18,171 | $ 17,422 | $ 17,880 |



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# Financial Information

*($ millions)*

| Depreciation and Amortization | LTM 9/30/2017 | Years Ended 12/31/2016 | Years Ended 12/31/2015 |
|---|---|---|---|
| PacifiCorp | $ 792 | $ 783 | $ 780 |
| MidAmerican Funding | 511 | 479 | 407 |
| NV Energy | 421 | 421 | 410 |
| Northern Powergrid | 207 | 200 | 202 |
| BHE Pipeline Group | 161 | 206 | 204 |
| BHE Transmission | 229 | 241 | 185 |
| BHE Renewables | 248 | 230 | 216 |
| HomeServices | 45 | 31 | 29 |
| BHE and Other | (2) | - | (5) |
| Total Depreciation and Amortization | $ 2,612 | $ 2,591 | $ 2,428 |



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Financial Information

*($ millions)*

| Operating Income | LTM 9/30/2017 | Years Ended 12/31/2016 | Years Ended 12/31/2015 |
|---|---|---|---|
| PacifiCorp | $ 1,469 | $ 1,427 | $ 1,344 |
| MidAmerican Funding | 573 | 566 | 451 |
| NV Energy | 796 | 770 | 812 |
| Northern Powergrid | 429 | 494 | 593 |
| BHE Pipeline Group | 463 | 455 | 464 |
| BHE Transmission | 293 | 92 | 260 |
| BHE Renewables | 279 | 256 | 255 |
| HomeServices | 224 | 212 | 184 |
| BHE and Other | (23) | (21) | (35) |
| Total Operating Income | $ 4,503 | $ 4,251 | $ 4,328 |



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Financial Information

*($ millions)*

| Interest Expense | LTM 9/30/2017 | Years Ended 12/31/2016 | Years Ended 12/31/2015 |
|---|---|---|---|
| PacifiCorp | $ 380 | $ 381 | $ 383 |
| MidAmerican Funding | 231 | 218 | 206 |
| NV Energy | 233 | 250 | 262 |
| Northern Powergrid | 129 | 136 | 145 |
| BHE Pipeline Group | 44 | 50 | 66 |
| BHE Transmission | 164 | 153 | 146 |
| BHE Renewables | 203 | 198 | 193 |
| HomeServices | 3 | 2 | 3 |
| BHE and Other | 445 | 466 | 500 |
| Total interest expense | $ 1,832 | $ 1,854 | $ 1,904 |



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Financial Information

*($ millions)*

| Capital Expenditures[1] | LTM 9/30/2017 | Years Ended 12/31/2016 | 12/31/2015 |
|---|---|---|---|
| PacifiCorp | $ 870 | $ 903 | $ 916 |
| MidAmerican Funding | 1,673 | 1,637 | 1,448 |
| NV Energy | 476 | 529 | 571 |
| Northern Powergrid | 578 | 579 | 674 |
| BHE Pipeline Group | 250 | 226 | 240 |
| BHE Transmission | 335 | 466 | 966 |
| BHE Renewables | 528 | 719 | 1,034 |
| HomeServices | 25 | 20 | 16 |
| BHE and Other | 13 | 11 | 10 |
| Total capital expenditures | $ 4,748 | $ 5,090 | $ 5,875 |

[1] *Excludes amounts for non-cash equity allowances for funds used during construction and other non-cash items*



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Financial Information

*($ millions)*

| Total Assets | 9/30/2017 | 12/31/2016 | 12/31/2015 |
|---|---|---|---|
| PacifiCorp | $ 23,578 | $ 23,563 | $ 23,550 |
| MidAmerican Funding | 19,019 | 17,571 | 16,315 |
| NV Energy | 14,344 | 14,320 | 14,656 |
| Northern Powergrid | 7,280 | 6,433 | 7,317 |
| BHE Pipeline Group | 4,958 | 5,144 | 4,953 |
| BHE Transmission | 9,182 | 8,378 | 7,553 |
| BHE Renewables | 7,492 | 7,010 | 5,892 |
| HomeServices | 2,834 | 1,776 | 1,705 |
| BHE and Other | 2,367 | 1,245 | 1,677 |
| Total assets | $ 91,054 | $ 85,440 | $ 83,618 |



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Capitalization

*($ millions)*

| BHE Debt to Capitalization Comparison | 9/30/2017 | 12/31/2016 |
|---|---|---|
| Short-term debt | $ 2,493 | $ 1,869 |
| Current portion of long-term debt | 3,070 | 1,006 |
| BHE senior debt | 6,771 | 7,418 |
| Subsidiary debt | 26,183 | 26,748 |
| Total adjusted debt[1] | 38,517 | 37,041 |
| BHE junior subordinated debentures | 100 | 944 |
| Noncontrolling interests | 131 | 136 |
| BHE shareholders' equity | 27,473 | 24,327 |
| Total capitalization | $ 66,221 | $ 62,448 |
| Adjusted debt/capitalization | 58.2% | 59.3% |

- As of September 30, 2017, approximately 97% of total debt was fixed-rate debt
- As of September 30, 2017, long-term adjusted debt had a weighted average life of approximately 13 years and a weighted average interest rate of approximately 4.9%

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



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Non-GAAP Financial Measures
# Berkshire Hathaway Energy

*($ millions)*

| | LTM 9/30/2017 | 2016 | 2015 |
|---|---|---|---|
| **FFO** | | | |
| Net cash flows from operating activities | $ 6,350 | $ 6,056 | $ 6,980 |
| +/- Changes in other operating assets and liabilities | (64) | (144) | (649) |
| **FFO** | **$ 6,286** | **$ 5,912** | **$ 6,331** |
| **Adjusted Interest** | | | |
| Interest expense | $ 1,832 | $ 1,854 | $ 1,904 |
| Interest expense on subordinated debt | (28) | (65) | (104) |
| **Adjusted Interest** | **$ 1,804** | **$ 1,789** | **$ 1,800** |
| **FFO Interest Coverage[1]** | **4.5x** | **4.3x** | **4.5x** |
| **Adjusted Debt** | | | |
| Debt[2] | $ 38,617 | $ 37,985 | $ 38,946 |
| Subordinated debt | (100) | (944) | (2,944) |
| **Adjusted Debt** | **$ 38,517** | **$ 37,041** | **$ 36,002** |
| **FFO to Adjusted Debt** | **16.3%** | **16.0%** | **17.6%** |
| **Capitalization** | | | |
| Total BHE shareholders’ equity | $ 27,473 | $ 24,327 | $ 22,401 |
| Adjusted debt | 38,517 | 37,041 | 36,002 |
| Subordinated debt | 100 | 944 | 2,944 |
| Noncontrolling interests | 131 | 136 | 134 |
| **Capitalization** | **$ 66,221** | **$ 62,448** | **$ 61,481** |
| **Adjusted Debt to Total Capitalization[3]** | **58.2%** | **59.3%** | **58.6%** |

*(1) FFO Interest Coverage equals the sum of FFO and Adjusted Interest divided by Adjusted Interest*
*(2) Debt includes short-term debt, Berkshire Hathaway Energy senior debt, Berkshire Hathaway Energy subordinated debt and subsidiary debt (including current maturities)*
*(3) Adjusted Debt to Total Capitalization equals Adjusted Debt divided by Capitalization*



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Non-GAAP Financial Measures
# PacifiCorp

*($ millions)*

| **FFO** | **LTM 9/30/2017** | **2016** | **2015** |
|---|---|---|---|
| Net cash flows from operating activities | $ 1,631 | $ 1,568 | $ 1,734 |
| +/- Changes in other operating assets and liabilities | 54 | 203 | (74) |
| **FFO** | **$ 1,685** | **$ 1,771** | **$ 1,660** |
| **Interest expense** | **$ 380** | **$ 380** | **$ 379** |
| **FFO Interest Coverage(1)** | **5.4x** | **5.7x** | **5.4x** |
| | | | |
| **Debt (2)** | **$ 7,027** | **$ 7,349** | **$ 7,166** |
| **FFO to Debt(3)** | **24.0%** | **24.1%** | **23.2%** |
| | | | |
| **Capitalization** | | | |
| PacifiCorp shareholders' equity | $ 7,507 | $ 7,390 | $ 7,503 |
| Debt | 7,027 | 7,349 | 7,166 |
| **Capitalization** | **$ 14,534** | **$ 14,739** | **$ 14,669** |
| **Debt to Total Capitalization(4)** | **48.3%** | **49.9%** | **48.9%** |

*(1) FFO Interest Coverage equals the sum of FFO and Interest divided by Interest*
*(2) Debt includes short-term debt and current maturities*
*(3) FFO to Debt equals FFO divided by Debt*
*(4) Debt to Total Capitalization equals Debt divided by Capitalization*



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# Non-GAAP Financial Measures
# MidAmerican Energy

*($ millions)*

| FFO | LTM 9/30/2017 | 2016 | 2015 |
|---|---|---|---|
| Net cash flows from operating activities | $ 1,494 | $ 1,403 | $ 1,351 |
| +/- Changes in other operating assets and liabilities | (64) | (65) | (216) |
| **FFO** | **$ 1,430** | **$ 1,338** | **$ 1,135** |
| **Interest expense** | **$ 209** | **$ 196** | **$ 183** |
| **FFO Interest Coverage(1)** | **7.8x** | **7.8x** | **7.2x** |
| | | | |
| **Debt (2)** | **$ 4,894** | **$ 4,400** | **$ 4,271** |
| **FFO to Debt(3)** | **29.2%** | **30.4%** | **26.6%** |
| | | | |
| **Capitalization** | | | |
| MidAmerican Energy shareholders' equity | $ 5,784 | $ 5,160 | $ 4,705 |
| Debt | 4,894 | 4,400 | 4,271 |
| **Capitalization** | **$ 10,678** | **$ 9,560** | **$ 8,976** |
| **Debt to Total Capitalization(4)** | **45.8%** | **46.0%** | **47.6%** |

*(1) FFO Interest Coverage equals the sum of FFO and Interest divided by Interest*
*(2) Debt includes short-term debt and current maturities*
*(3) FFO to Debt equals FFO divided by Debt*
*(4) Debt to Total Capitalization equals Debt divided by Capitalization*



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Non-GAAP Financial Measures
# Nevada Power Company

*($ millions)*

| FFO | LTM 9/30/2017 | 2016 | 2015 |
|---|---|---|---|
| Net cash flows from operating activities | $ 642 | $ 771 | $ 892 |
| +/- Changes in other operating assets and liabilities | 3 | (109) | 77 |
| **FFO** | **$ 645** | **$ 662** | **$ 969** |
| **Interest expense** | **$ 177** | **$ 185** | **$ 190** |
| **FFO Interest Coverage[(1)]** | **4.6x** | **4.6x** | **6.1x** |
| **Debt [(2)]** | **$ 3,073** | **$ 3,066** | **$ 3,285** |
| **FFO to Debt[(3)]** | **21.0%** | **21.6%** | **29.5%** |
| **Capitalization** | | | |
| Nevada Power shareholder's equity | $ 2,823 | $ 2,972 | $ 3,163 |
| Debt | 3,073 | 3,066 | 3,285 |
| **Capitalization** | **$ 5,896** | **$ 6,038** | **$ 6,448** |
| **Debt to Total Capitalization[(4)]** | **52.1%** | **50.8%** | **50.9%** |

*[(1)] FFO Interest Coverage equals the sum of FFO and Interest divided by Interest*
*[(2)] Debt includes short-term debt and current maturities*
*[(3)] FFO to Debt equals FFO divided by Debt*
*[(4)] Debt to Total Capitalization equals Debt divided by Capitalization*



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# Non-GAAP Financial Measures
# Sierra Pacific Power Company

*($ millions)*

| FFO | LTM 9/30/2017 | 2016 | 2015 |
|---|---|---|---|
| Net cash flows from operating activities | $ 164 | $ 243 | $ 342 |
| +/- Changes in other operating assets and liabilities | 39 | (4) | (33) |
| **FFO** | **$ 203** | **$ 239** | **$ 309** |
| **Interest expense** | **$ 45** | **$ 54** | **$ 61** |
| **FFO Interest Coverage[1]** | **5.5x** | **5.4x** | **6.1x** |
| | | | |
| **Debt [2]** | **$ 1,152** | **$ 1,153** | **$ 1,202** |
| **FFO to Debt[3]** | **17.6%** | **20.7%** | **25.7%** |
| | | | |
| **Capitalization** | | | |
| Sierra Pacific Power shareholder's equity | $ 1,188 | $ 1,108 | $ 1,076 |
| Debt | 1,152 | 1,153 | 1,202 |
| **Capitalization** | **$ 2,340** | **$ 2,261** | **$ 2,278** |
| **Debt to Total Capitalization[4]** | **49.2%** | **51.0%** | **52.8%** |

*(1) FFO Interest Coverage equals the sum of FFO and Interest divided by Interest*
*(2) Debt includes short-term debt and current maturities*
*(3) FFO to Debt equals FFO divided by Debt*
*(4) Debt to Total Capitalization equals Debt divided by Capitalization*



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Non-GAAP Financial Measures
# EBITDA

*($ millions)*

| BHE Consolidated EBITDA | LTM 9-30-2017 |
|---|---|
| Net income attributable to BHE shareholders | 2,678 |
| Noncontrolling interests | 33 |
| Interest expense | 1,832 |
| Capitalized interest | (45) |
| Income tax expense | 328 |
| Depreciation and amortization | 2,612 |
| EBITDA | **7,438** |



[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]

# Berkshire Hathaway Energy

[Filed under a Berkshire Hathaway Energy Form 8-K on November 3, 2017]