

PacifiCorp

Affiliated Interest Report

For the year ended December 31, 2016

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I. ORGANIZATION

PacifiCorp is a United States regulated electric utility company headquartered in Oregon that serves 1.8 million retail electric customers in portions of Utah, Oregon, Wyoming, Washington, Idaho and California. PacifiCorp is principally engaged in the business of generating, transmitting, distributing and selling electricity. PacifiCorp's combined service territory covers approximately 143,000 square miles and includes diverse regional economies across six states. No single segment of the economy dominates the service territory, which helps mitigate PacifiCorp's exposure to economic fluctuations. In the eastern portion of the service territory, consisting of Utah, Wyoming and southeastern Idaho, the principal industries are manufacturing, mining or extraction of natural resources, agriculture, technology, recreation and government. In the western portion of the service territory, consisting of Oregon, southern Washington and northern California, the principal industries are agriculture, manufacturing, forest products, food processing, technology, government and primary metals. In addition to retail sales, PacifiCorp buys and sells electricity on the wholesale market with other utilities, energy marketing companies, financial institutions and other market participants to balance and optimize the economic benefits of electricity generation, retail customer loads and existing wholesale transactions.

PacifiCorp's principal executive offices are located at 825 N.E. Multnomah Street, Portland, Oregon 97232, and its telephone number is (503) 813-5258. PacifiCorp was initially incorporated in 1910 under the laws of the state of Maine under the name Pacific Power & Light Company. In 1984, Pacific Power & Light Company changed its name to PacifiCorp. In 1989, it merged with Utah Power and Light Company, a Utah corporation, in a transaction wherein both corporations merged into a newly formed Oregon corporation. The resulting Oregon corporation was re-named PacifiCorp, which is the operating entity today.

Certain PacifiCorp subsidiaries support its electric utility operations by providing coal mining services. PacifiCorp delivers electricity to customers in Utah, Wyoming and Idaho under the trade name Rocky Mountain Power and to customers in Oregon, Washington and California under the trade name Pacific Power.

PacifiCorp is an indirect wholly owned subsidiary of Berkshire Hathaway Energy Company ("BHE"), a holding company that owns subsidiaries principally engaged in energy businesses and is a consolidated subsidiary of Berkshire Hathaway Inc. ("Berkshire Hathaway"). BHE controls substantially all of PacifiCorp's voting securities, which include both common and preferred stock.

The following pages provide organization charts of PacifiCorp's and BHE's subsidiaries. See section I.C. Affiliate Descriptions for discussion of affiliates with which PacifiCorp did business during the year ended December 31, 2016, including Berkshire Hathaway affiliates.

Subsidiaries of PacifiCorp as of December 31, 2016

Name of Subsidiary	Approximate Percentage of Voting Securities Owned	State of Jurisdiction of Incorporation or Organization
Energy West Mining Company ^(a)	100%	Utah
Fossil Rock Fuels, LLC	100%	Delaware
Glenrock Coal Company ^(b)	100%	Wyoming
Interwest Mining Company	100%	Oregon
Pacific Minerals, Inc. ^(c)	100%	Wyoming
- Bridger Coal Company, a joint venture ^(d)	66.67%	Wyoming
Trapper Mining Inc. ^(e)	21.40%	Delaware

(a) Energy West Mining Company ceased mining operations in 2015.

(b) Glenrock Coal Company ceased mining operations in 1999.

(c) Pacific Minerals, Inc. is a wholly owned subsidiary of PacifiCorp that holds a 66.67% ownership interest in Bridger Coal Company.

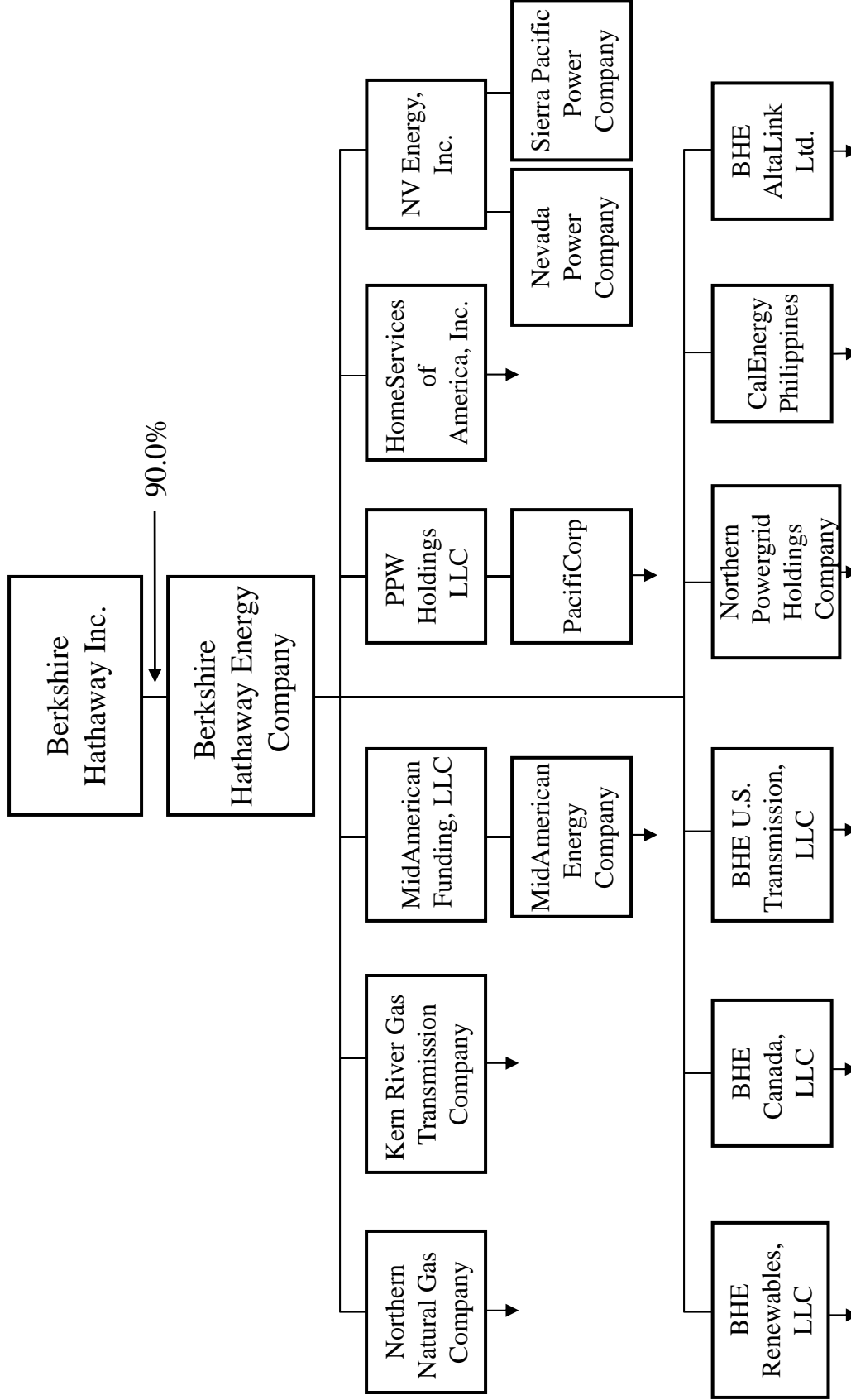
(d) Bridger Coal Company is a coal mining joint venture with Idaho Energy Resources Company, a subsidiary of Idaho Power Company, and is jointly controlled by Pacific Minerals, Inc. and Idaho Energy Resources Company.

(e) PacifiCorp is a minority owner in Trapper Mining Inc., a cooperative. The members are Salt River Project Agricultural Improvement and Power District (32.10%), Tri-State Generation and Transmission Association, Inc. (26.57%), PacifiCorp (21.40%) and Platte River Power Authority (19.93%).

Berkshire Hathaway Energy Company*

Organization Chart

As of December 31, 2016



*This chart does not include all subsidiaries of PacifiCorp or of its affiliates. For a list of certain subsidiaries of BHE, refer to Exhibit 21.1 included in BHE's Annual Report on Form 10-K for the year ended December 31, 2016 (File No. 001-14881) at www.sec.gov.

I. A. Officers and Directors

Information regarding directors and officers common to the regulated utility and affiliated interest are described in these categories:

- 1. PacifiCorp board of directors and committees of the board of directors during the year ended December 31, 2016**
- 2. PacifiCorp executive officers during the year ended December 31, 2016**
- 3. PacifiCorp executive officers and directors with affiliated positions as of December 31, 2016**

The positions listed for the directors and executive officers in each of these sections are those positions that were held as of or during the year ended December 31, 2016, as indicated. Changes that occurred subsequent to December 31, 2016 (if any) are annotated.

1. PacifiCorp Board of Directors and Committees of the Board of Directors During the Year Ended December 31, 2016 (a)

Director	Address	From	To	Director at 12/31/2016	Elected During the Year Ended 12/31/2016	Resigned During the Year Ended 12/31/2016
Gregory E. Abel	666 Grand Avenue 29th Floor Des Moines, Iowa 50309	3/21/2006		Yes	No	No
Stefan A. Bird	825 NE Multnomah Street Suite 2000 Portland, Oregon 97232	3/10/2015		Yes	No	No
Cindy A. Crane	1407 West North Temple Suite 310 Salt Lake City, Utah 84116	3/10/2015		Yes	No	No
Douglas L. Anderson	1111 South 103 rd Street Omaha, Nebraska 68124	3/21/2006	1/13/2017	Yes	No	No
Patrick J. Goodman	666 Grand Avenue 29th Floor Des Moines, Iowa 50309	3/21/2006		Yes	No	No
Natalie L. Hocken	825 NE Multnomah Street Suite 2000 Portland, Oregon 97232	8/30/2007		Yes	No	No
Andrea L. Kelly	1800 M Street NW Suite 300 Washington, DC 20036	3/10/2015	12/31/2016	Yes	No	Yes
R. Patrick Reiten	1800 M Street NW Suite 300 Washington, DC 20036	9/15/2006	12/31/2016	Yes	No	Yes

(a) Nikki L. Koblaha was elected director of PacifiCorp effective February 1, 2017.

Committees of the Board of Directors: The Compensation Committee is the only PacifiCorp board committee. Gregory E. Abel, PacifiCorp's Chairman of the Board of Directors and Chief Executive Officer, is the sole member of the Compensation Committee. All other board committees are at the Berkshire Hathaway Energy Company level.

2. PacifiCorp Executive Officers During the Year Ended December 31, 2016

Title	Officer	Address	From	To	Officer at 12/31/2016	Elected During the Year Ended 12/31/2016	Resigned During the Year Ended 12/31/2016
Chairman of the Board of Directors and Chief Executive Officer	Gregory E. Abel	666 Grand Avenue 29th Floor Des Moines, Iowa 50309	3/21/2006		Yes	No	No
President and Chief Executive Officer, Pacific Power	Stefan A. Bird	825 NE Multnomah Street Suite 2000 Portland, Oregon 97232	3/10/2015		Yes	No	No
President and Chief Executive Officer, Rocky Mountain Power	Cindy A. Crane	1407 West North Temple Suite 310 Salt Lake City, Utah 84116	12/18/2014		Yes	No	No
Vice President and Chief Financial Officer	Nikki L. Koblha	825 NE Multnomah Street Suite 1900 Portland, Oregon 97232	8/13/2015		Yes	No	No
President and Chief Executive Officer, PacifiCorp Transmission	R. Patrick Reiten	825 NE Multnomah Street Suite 2000 Portland, Oregon 97232	3/10/2015	12/31/2016	Yes	No	Yes

3. PacifiCorp Executive Officers and Directors with Affiliated Positions as of December 31, 2016

Abel, Gregory E.

Business Entity	Title
AltaLink Management Ltd.	Director
Berkshire Hathaway Energy Company	Chairman, President & Chief Executive Officer
Berkshire Hathaway Energy Company	Director
CE Casecnan Ltd.	Chairman, President & Chief Executive Officer
CE Casecnan Ltd.	Director
The Kraft Heinz Company	Director
HomeServices of America, Inc.	Director
HomeServices of America, Inc.	Compensation Committee Member
HomeServices of America, Inc.	Finance Committee Member
HomeServices of America, Inc.	Executive Committee Member
NNGC Acquisition, LLC	President
Norming Investments B.V.	Chairman, President & Chief Executive Officer
Northern Natural Gas Company	Director
Northern Natural Gas Company	Chairman
Northern Powergrid Holdings Company	Chairman
Northern Powergrid Holdings Company	Director
Northern Powergrid UK Holdings	Chief Executive Officer
NV Energy, Inc.	Director
NV Energy, Inc.	Chairman
PPW Holdings, LLC	President

Anderson, Douglas L.

Business Entity	Title
Alamo 6 Solar Holdings, LLC	Manager ⁽¹⁾
Alaska Gas Pipeline Company, LLC	Manager ⁽¹⁾
Alaska Gas Transmission Company, LLC	Manager ⁽¹⁾
Alaska Storage Holding Company, LLC	Manager ⁽¹⁾
AltaLink Management Ltd.	Director
Andromeda Community Solar Gardens, LLC	Manager ⁽¹⁾
Andromeda CSG1, LLC	Manager ⁽¹⁾
Andromeda CSG2, LLC	Manager ⁽¹⁾
Andromeda CSG3, LLC	Manager ⁽¹⁾
Andromeda CSG4, LLC	Manager ⁽¹⁾
Andromeda CSG5, LLC	Manager ⁽¹⁾
Antares Community Solar Gardens, LLC	Manager ⁽¹⁾
Antares CSG1, LLC	Manager ⁽¹⁾
Antares CSG2, LLC	Manager ⁽¹⁾
Antares CSG3, LLC	Manager ⁽¹⁾
Antlia Community Solar Gardens, LLC	Manager ⁽¹⁾
Antlia CSG1, LLC	Manager ⁽¹⁾
Antlia CSG2, LLC	Manager ⁽¹⁾
Argo Navis Community Solar Gardens, LLC	Manager ⁽¹⁾
Argo Navis CSG1, LLC	Manager ⁽¹⁾
Argo Navis CSG2, LLC	Manager ⁽¹⁾
Argo Navis CSG3, LLC	Manager ⁽¹⁾
Aries Community Solar Gardens, LLC	Manager ⁽¹⁾
Aries CSG1, LLC	Manager ⁽¹⁾
Aries CSG2, LLC	Manager ⁽¹⁾
Aries CSG3, LLC	Manager ⁽¹⁾
Aries CSG4, LLC	Manager ⁽¹⁾
Berkshire Hathaway Energy Company	Chief Corporate Counsel & Corporate Secretary
Berkshire Hathaway Energy Foundation	Director

Anderson, Douglas L. (continued)

Business Entity	Title
BG Energy Holding, LLC	Director
BHE AC Holding, LLC	Manager ⁽¹⁾
BHE Canada (BC) Holdings Corporation	Director
BHE Canada Holdings Corporation	Director
BHE Canada Holdings Corporation	Executive Vice President & Secretary
BHE Canada, LLC	Manager ⁽¹⁾
BHE Canada, LLC	Executive Vice President & General Counsel
BHE Community Solar, LLC	Manager ⁽¹⁾
BHE Geothermal, LLC	Manager ⁽¹⁾
BHE Hydro, LLC	Manager ⁽¹⁾
BHE Midcontinent Transmission Holdings, LLC	Manager ⁽¹⁾
BHE Renewables International GP Corporation	Director
BHE Renewables, LLC	Manager ⁽¹⁾
BHE Solar Holdings, LLC	Manager ⁽¹⁾
BHE Solar, LLC	Manager ⁽¹⁾
BHE U.K. Electric, Inc.	Director
BHE U.K. Electric, Inc.	President
BHE U.K. Inc.	Director
BHE U.K. Power, Inc.	Director
BHE U.K. Power, Inc.	President
BHE U.S. Transmission, LLC	Manager ⁽¹⁾
BHE Wind, LLC	Manager ⁽¹⁾
BHES Pearl Solar Holdings, LLC	Manager ⁽¹⁾
Bishop Hill II Holdings, LLC	Manager ⁽¹⁾
Black Rock 1, LLC	Manager ⁽¹⁾
Black Rock 2, LLC	Manager ⁽¹⁾
Black Rock 3, LLC	Manager ⁽¹⁾
Black Rock 4, LLC	Manager ⁽¹⁾
Black Rock 5, LLC	Manager ⁽¹⁾
Black Rock 6, LLC	Manager ⁽¹⁾
Caelum Community Solar Gardens, LLC	Manager ⁽¹⁾
Caelum CSG1, LLC	Manager ⁽¹⁾
Caelum CSG2, LLC	Manager ⁽¹⁾
CalEnergy Company, Inc.	Director
CalEnergy Generation Operating Company	Director
CalEnergy Geothermal Holding, LLC	Manager ⁽¹⁾
CalEnergy International Ltd.	President & Assistant Secretary
CalEnergy International Ltd.	Director
CalEnergy International Services, Inc.	Director
CalEnergy Pacific Holdings Corp.	Director
CalEnergy Pacific Holdings Corp.	President
California Utility HoldCo, LLC	Manager ⁽¹⁾
Capella Community Solar Gardens, LLC	Manager ⁽¹⁾
Capella CSG1, LLC	Manager ⁽¹⁾
Capella CSG2, LLC	Manager ⁽¹⁾
Capella CSG3, LLC	Manager ⁽¹⁾
Capella CSG4, LLC	Manager ⁽¹⁾
Capella CSG5, LLC	Manager ⁽¹⁾
Carina Community Solar Gardens, LLC	Manager ⁽¹⁾
Carina CSG1, LLC	Manager ⁽¹⁾
Carina CSG2, LLC	Manager ⁽¹⁾
Carina CSG3, LLC	Manager ⁽¹⁾
Carina CSG4, LLC	Manager ⁽¹⁾
CE Asia Limited	Director

Anderson, Douglas L. (continued)

Business Entity	Title
CE Asia Limited	President & Assistant Secretary
CE Black Rock Holdings, LLC	Manager ⁽¹⁾
CE Butte Energy Holdings, LLC	Manager ⁽¹⁾
CE Butte Energy, LLC	Manager ⁽¹⁾
CE Casecnan II, Inc.	Director
CE Casecnan Ltd.	Executive Vice President, General Counsel & Assistant Secretary
CE Casecnan Ltd.	Director
CE Casecnan Water and Energy Company, Inc.	Chairman
CE Casecnan Water and Energy Company, Inc.	Director
CE Electric (NY), Inc.	Director
CE Geothermal, Inc.	Director
CE International (Bermuda) Limited	President & Assistant Secretary
CE International (Bermuda) Limited	Director
CE International Investments, Inc.	Director
CE Mahanagdong Ltd.	President & Assistant Secretary
CE Mahanagdong Ltd.	Director
CE Obsidian Energy, LLC	Manager ⁽¹⁾
CE Obsidian Holding, LLC	Manager ⁽¹⁾
CE Philippines Ltd.	President & Assistant Secretary
CE Philippines Ltd.	Director
CE Red Island Energy Holdings, LLC	Manager ⁽¹⁾
CE Red Island Energy, LLC	Manager ⁽¹⁾
Centaurus Community Solar Gardens, LLC	Manager ⁽¹⁾
Centaurus CSG1, LLC	Manager ⁽¹⁾
Centaurus CSG2, LLC	Manager ⁽¹⁾
Cook Inlet Natural Gas Storage Alaska, LLC	Manager ⁽¹⁾
Cordova Funding Corporation	Director
Corvus Community Solar, LLC	Manager ⁽¹⁾
Corvus CSG1, LLC	Manager ⁽¹⁾
Corvus CSG2, LLC	Manager ⁽¹⁾
Corvus CSG3, LLC	Manager ⁽¹⁾
Corvus CSG4, LLC	Manager ⁽¹⁾
Corvus CSG5, LLC	Manager ⁽¹⁾
Crater Community Solar Gardens, LLC	Manager ⁽¹⁾
Crater CSG1, LLC	Manager ⁽¹⁾
Crater CSG2, LLC	Manager ⁽¹⁾
Crater CSG3, LLC	Manager ⁽¹⁾
Dakota Dunes Development Company	Director
DCCO Inc.	Director
Delphinus Community Solar Gardens, LLC	Manager ⁽¹⁾
Delphinus CSG1, LLC	Manager ⁽¹⁾
Delphinus CSG2, LLC	Manager ⁽¹⁾
DG-SB Project Holdings, LLC	Manager ⁽¹⁾
Gemini Community Solar, LLC	Manager ⁽¹⁾
Gemini CSG1, LLC	Manager ⁽¹⁾
Gemini CSG2, LLC	Manager ⁽¹⁾
Gemini CSG3, LLC	Manager ⁽¹⁾
Geronimo Community Solar Gardens Holding Company, LLC	Manager ⁽¹⁾
Geronimo Community Solar Gardens, LLC	Manager ⁽¹⁾
GPWH Holdings, LLC	Manager ⁽¹⁾
Grande Prairie Land Holding, LLC	Manager ⁽¹⁾
Grande Prairie Wind Holdings, LLC	Manager ⁽¹⁾

Anderson, Douglas L. (continued)

Business Entity	Title
Grande Prairie Wind II, LLC	Manager ⁽¹⁾
HomeServices of America, Inc.	Director
Jumbo Road Holdings, LLC	Manager ⁽¹⁾
Kern River Funding Corporation	Director
Kern River Gas Transmission Company	Executive Committee Member
KR Acquisition 1, LLC	Vice President & Secretary
KR Acquisition 1, LLC	Manager ⁽¹⁾
KR Acquisition 2, LLC	Vice President & Secretary
KR Acquisition 2, LLC	Manager ⁽¹⁾
KR Holding, LLC	Vice President & Secretary
KR Holding, LLC	Manager ⁽¹⁾
Lyra Community Solar Gardens, LLC	Manager ⁽¹⁾
Lyra CSG1, LLC	Manager ⁽¹⁾
Lyra CSG2, LLC	Manager ⁽¹⁾
Lyra CSG3, LLC	Manager ⁽¹⁾
M & M Ranch Acquisition Company, LLC	Manager ⁽¹⁾
M & M Ranch Acquisition Company, LLC	President
M & M Ranch Holding Company, LLC	Manager ⁽¹⁾
M & M Ranch Holding Company, LLC	President
Magma Netherlands B.V.	Chairman & Chief Executive Officer
Magma Netherlands B.V.	Director
Mapleton Community Solar, LLC	Manager ⁽¹⁾
Mapleton CSG1, LLC	Manager ⁽¹⁾
Mapleton CSG2, LLC	Manager ⁽¹⁾
MEC Construction Services Co.	Director
MEHC Investment, Inc.	Senior Vice President
MEHC Investment, Inc.	Director
MEHC Merger Sub Inc.	Corporate Secretary
MHC Inc.	Executive Vice President, General Counsel & Assistant Secretary
MHC Inc.	Director
MHC Investment Company	Director
MidAmerican Central California Transco, LLC	Manager ⁽¹⁾
MidAmerican Energy Machining Services, LLC	Manager ⁽¹⁾
MidAmerican Funding, LLC	Manager ⁽¹⁾
MidAmerican Geothermal Development Corporation	Manager ⁽¹⁾
MidAmerican Wind Tax Equity Holdings, LLC	Manager ⁽¹⁾
Midwest Capital Group, Inc.	Director
Morgan Community Solar, LLC	Manager ⁽¹⁾
Morgan CSG1, LLC	Manager ⁽¹⁾
Morgan CSG2, LLC	Manager ⁽¹⁾
Morgan CSG3, LLC	Manager ⁽¹⁾
MSPS Holdings, LLC	Manager ⁽¹⁾
NNGC Acquisition, LLC	Manager ⁽¹⁾
Norming Investments B.V.	Senior Vice President & General Counsel
Northern Natural Gas Company	Director
Northern Powergrid Holdings Company	Director
NVE Holdings, LLC	Manager ⁽¹⁾
Ormoc Cebu Ltd.	President & Assistant Secretary
Ormoc Cebu Ltd.	Director
Pegasus Community Solar Gardens, LLC	Manager ⁽¹⁾
Pegasus CSG1, LLC	Manager ⁽¹⁾
Pegasus CSG2, LLC	Manager ⁽¹⁾
Pinyon Pines I Holding Company, LLC	Manager ⁽¹⁾

Anderson, Douglas L. (continued)

Business Entity	Title
Pinyon Pines II Holding Company, LLC	Manager ⁽¹⁾
Pollux Community Solar Gardens, LLC	Manager ⁽¹⁾
Pollux CSG1, LLC	Manager ⁽¹⁾
Pollux CSG2, LLC	Manager ⁽¹⁾
PPW Holdings, LLC	Manager ⁽¹⁾
Quad Cities Energy Company	Director
Solar Star 3, LLC	Manager ⁽¹⁾
Solar Star Funding, LLC	Manager ⁽¹⁾
Solar Star Projects Holding, LLC	Manager ⁽¹⁾
Spica Community Solar Gardens, LLC	Manager ⁽¹⁾
Spica CSG1, LLC	Manager ⁽¹⁾
Spica CSG2, LLC	Manager ⁽¹⁾
SSC XIX, LLC	Manager ⁽¹⁾
SSC XX, LLC	Manager ⁽¹⁾
Sundial Holding, LLC	Manager ⁽¹⁾
Taurus Community Solar, LLC	Manager ⁽¹⁾
Taurus CSG1, LLC	Manager ⁽¹⁾
Taurus CSG2, LLC	Manager ⁽¹⁾
Taurus CSG3, LLC	Manager ⁽¹⁾
Taurus CSG4, LLC	Manager ⁽¹⁾
Tongonan Power Investment, Inc.	Senior Vice President & General Counsel
Tongonan Power Investment, Inc.	Director
TPZ Holding, LLC	Manager ⁽¹⁾
Two Rivers Inc.	Director
Vega Community Solar Gardens, LLC	Manager ⁽¹⁾
Vega CSG1, LLC	Manager ⁽¹⁾
Vega CSG2, LLC	Manager ⁽¹⁾
Vega CSG3, LLC	Manager ⁽¹⁾
Vega CSG4, LLC	Manager ⁽¹⁾
Vega CSG5, LLC	Manager ⁽¹⁾
Visayas Geothermal Power Company	Senior Vice President, General Counsel & Assistant Secretary

Bird, Stefan A.

Business Entity	Title
PacifiCorp Foundation	President
PacifiCorp Foundation	Director

Crane, Cindy A.

Business Entity	Title
Energy West Mining Company	President
Energy West Mining Company	Director
Fossil Rock Fuels, LLC	President
Fossil Rock Fuels, LLC	Manager ⁽¹⁾
Glenrock Coal Company	President
Glenrock Coal Company	Director
Interwest Mining Company	President
Interwest Mining Company	Director
PacifiCorp Foundation	Chairman
PacifiCorp Foundation	Director
Pacific Minerals, Inc.	President
Pacific Minerals, Inc.	Director

Goodman, Patrick J.

Business Entity	Title
Alamo 6 Solar Holdings, LLC	Manager ⁽¹⁾
Alaska Gas Pipeline Company, LLC	Manager ⁽¹⁾
Alaska Gas Transmission Company, LLC	Manager ⁽¹⁾
Alaska Storage Holding Company, LLC	Manager ⁽¹⁾
AltaLink Management Ltd.	Director
Andromeda Community Solar Gardens, LLC	Manager ⁽¹⁾
Andromeda CSG1, LLC	Manager ⁽¹⁾
Andromeda CSG2, LLC	Manager ⁽¹⁾
Andromeda CSG3, LLC	Manager ⁽¹⁾
Andromeda CSG4, LLC	Manager ⁽¹⁾
Andromeda CSG5, LLC	Manager ⁽¹⁾
Antares Community Solar Gardens, LLC	Manager ⁽¹⁾
Antares CSG1, LLC	Manager ⁽¹⁾
Antares CSG2, LLC	Manager ⁽¹⁾
Antares CSG3, LLC	Manager ⁽¹⁾
Antlia Community Solar Gardens, LLC	Manager ⁽¹⁾
Antlia CSG1, LLC	Manager ⁽¹⁾
Antlia CSG2, LLC	Manager ⁽¹⁾
Argo Navis Community Solar Gardens, LLC	Manager ⁽¹⁾
Argo Navis CSG1, LLC	Manager ⁽¹⁾
Argo Navis CSG2, LLC	Manager ⁽¹⁾
Argo Navis CSG3, LLC	Manager ⁽¹⁾
Aries Community Solar Gardens, LLC	Manager ⁽¹⁾
Aries CSG1, LLC	Manager ⁽¹⁾
Aries CSG2, LLC	Manager ⁽¹⁾
Aries CSG3, LLC	Manager ⁽¹⁾
Aries CSG4, LLC	Manager ⁽¹⁾
Berkshire Hathaway Energy Company	Executive Vice President & Chief Financial Officer
Berkshire Hathaway Energy Foundation	Director
BG Energy Holding, LLC	Director
BHE AC Holding, LLC	Manager ⁽¹⁾
BHE Canada (BC) Holdings Corporation	Director
BHE Canada Holdings Corporation	Director
BHE Canada, LLC	Manager ⁽¹⁾
BHE Canada, LLC	Executive Vice President & Chief Financial Officer
BHE Community Solar, LLC	Manager ⁽¹⁾
BHE Geothermal, LLC	Manager ⁽¹⁾
BHE Hydro, LLC	Manager ⁽¹⁾
BHE Midcontinent Transmission Holdings, LLC	Manager ⁽¹⁾
BHE Solar Holdings, LLC	Manager ⁽¹⁾
BHE Solar, LLC	Manager ⁽¹⁾
BHE U.K. Electric, Inc.	Director
BHE U.K. Inc.	Director
BHE U.K. Inc.	President
BHE U.K. Power, Inc.	Director
BHE U.S. Transmission, LLC	Manager ⁽¹⁾
BHE Wind, LLC	Manager ⁽¹⁾
BHES CSG Holdings, LLC	Manager ⁽¹⁾
BHES Pearl Solar Holdings, LLC	Manager ⁽¹⁾
Bishop Hill II Holdings, LLC	Manager ⁽¹⁾
Black Rock 1, LLC	Manager ⁽¹⁾
Black Rock 2, LLC	Manager ⁽¹⁾
Black Rock 3, LLC	Manager ⁽¹⁾
Black Rock 4, LLC	Manager ⁽¹⁾

Goodman, Patrick J. (continued)

Business Entity	Title
Black Rock 5, LLC	Manager ⁽¹⁾
Black Rock 6, LLC	Manager ⁽¹⁾
Caelum Community Solar Gardens, LLC	Manager ⁽¹⁾
Caelum CSG1, LLC	Manager ⁽¹⁾
Caelum CSG2, LLC	Manager ⁽¹⁾
CalEnergy Company, Inc.	Director
CalEnergy Generation Operating Company	Director
CalEnergy Geothermal Holding, LLC	Manager ⁽¹⁾
CalEnergy International Ltd.	Director
CalEnergy International Ltd.	Executive Vice President & Chief Financial Officer
CalEnergy International Services, Inc.	Director
CalEnergy Pacific Holdings Corp.	Director
California Utility HoldCo, LLC	Manager ⁽¹⁾
Capella Community Solar Gardens, LLC	Manager ⁽¹⁾
Capella CSG1, LLC	Manager ⁽¹⁾
Capella CSG2, LLC	Manager ⁽¹⁾
Capella CSG3, LLC	Manager ⁽¹⁾
Capella CSG4, LLC	Manager ⁽¹⁾
Capella CSG5, LLC	Manager ⁽¹⁾
Carina Community Solar Gardens, LLC	Manager ⁽¹⁾
Carina CSG1, LLC	Manager ⁽¹⁾
Carina CSG2, LLC	Manager ⁽¹⁾
Carina CSG3, LLC	Manager ⁽¹⁾
Carina CSG4, LLC	Manager ⁽¹⁾
CE Asia Limited	Executive Vice President & Chief Financial Officer
CE Asia Limited	Director
CE Black Rock Holdings, LLC	Manager ⁽¹⁾
CE Butte Energy Holdings, LLC	Manager ⁽¹⁾
CE Butte Energy, LLC	Manager ⁽¹⁾
CE Casecnan II, Inc.	Director
CE Casecnan Ltd.	Executive Vice President & Chief Financial Officer
CE Casecnan Ltd.	Director
CE Casecnan Water and Energy Company, Inc.	Executive Vice President & Chief Financial Officer
CE Casecnan Water and Energy Company, Inc.	Director
CE Electric (NY), Inc.	Director
CE Geothermal, Inc.	Director
CE International (Bermuda) Limited	Executive Vice President & Chief Financial Officer
CE International (Bermuda) Limited	Director
CE International Investments, Inc.	Director
CE International Investments, Inc.	President
CE Mahanagdong Ltd.	Executive Vice President & Chief Financial Officer
CE Mahanagdong Ltd.	Director
CE Obsidian Energy, LLC	Manager ⁽¹⁾
CE Obsidian Holding, LLC	Manager ⁽¹⁾
CE Philippines Ltd.	Executive Vice President & Chief Financial Officer
CE Philippines Ltd.	Director
Centaurus Community Solar Gardens, LLC	Manager ⁽¹⁾
Centaurus CSG1, LLC	Manager ⁽¹⁾
Centaurus CSG2, LLC	Manager ⁽¹⁾
Cook Inlet Natural Gas Storage Alaska, LLC	Manager ⁽¹⁾
Corvus Community Solar, LLC	Manager ⁽¹⁾
Corvus CSG1, LLC	Manager ⁽¹⁾
Corvus CSG2, LLC	Manager ⁽¹⁾
Corvus CSG3, LLC	Manager ⁽¹⁾

Goodman, Patrick J. (continued)

Business Entity	Title
Corvus CSG4, LLC	Manager ⁽¹⁾
Corvus CSG5, LLC	Manager ⁽¹⁾
Crater Community Solar Gardens, LLC	Manager ⁽¹⁾
Crater CSG1, LLC	Manager ⁽¹⁾
Crater CSG2, LLC	Manager ⁽¹⁾
Crater CSG3, LLC	Manager ⁽¹⁾
Delphinus Community Solar Gardens, LLC	Manager ⁽¹⁾
Delphinus CSG1, LLC	Manager ⁽¹⁾
Delphinus CSG2, LLC	Manager ⁽¹⁾
DG-SB Project Holdings, LLC	Manager ⁽¹⁾
Gemini Community Solar, LLC	Manager ⁽¹⁾
Gemini CSG1, LLC	Manager ⁽¹⁾
Gemini CSG2, LLC	Manager ⁽¹⁾
Gemini CSG3, LLC	Manager ⁽¹⁾
Geronimo Community Solar Gardens Holding Company, LLC	Manager ⁽¹⁾
Geronimo Community Solar Gardens, LLC	Manager ⁽¹⁾
GPWH Holdings, LLC	Manager ⁽¹⁾
Grande Prairie Land Holding, LLC	Manager ⁽¹⁾
Grande Prairie Wind Holdings, LLC	Manager ⁽¹⁾
Grande Prairie Wind II, LLC	Manager ⁽¹⁾
HomeServices of America, Inc.	Director
HomeServices of America, Inc.	Finance Committee Member
Jumbo Road Holdings, LLC	Manager ⁽¹⁾
Kern River Funding Corporation	Director
Kern River Gas Transmission Company	Executive Committee Member
KR Acquisition 1, LLC	Vice President, Treasurer & Assistant Secretary
KR Acquisition 1, LLC	Manager ⁽¹⁾
KR Acquisition 2, LLC	Vice President, Treasurer & Assistant Secretary
KR Acquisition 2, LLC	Manager ⁽¹⁾
KR Holding, LLC	Vice President & Treasurer
KR Holding, LLC	Manager ⁽¹⁾
Lyra Community Solar Gardens, LLC	Manager ⁽¹⁾
Lyra CSG1, LLC	Manager ⁽¹⁾
Lyra CSG2, LLC	Manager ⁽¹⁾
Lyra CSG3, LLC	Manager ⁽¹⁾
M & M Ranch Acquisition Company, LLC	Manager ⁽¹⁾
M & M Ranch Holding Company, LLC	Manager ⁽¹⁾
Magma Netherlands B.V.	Senior Vice President
Magma Netherlands B.V.	Director
Mapleton Community Solar, LLC	Manager ⁽¹⁾
Mapleton CSG1, LLC	Manager ⁽¹⁾
Mapleton CSG2, LLC	Manager ⁽¹⁾
MEHC Insurance Services Ltd.	President & Treasurer
MEHC Insurance Services Ltd.	Director
MEHC Investment, Inc.	President, Chief Financial Officer & Treasurer
MEHC Investment, Inc.	Director
MEHC Merger Sub Inc.	Senior Vice President
MES Holding, LLC	Manager ⁽¹⁾
MidAmerican Central California Transco, LLC	Manager ⁽¹⁾
MidAmerican Energy Machining Services, LLC	Manager ⁽¹⁾
MidAmerican Energy Services, LLC	Manager ⁽¹⁾
MidAmerican Funding, LLC	Manager ⁽¹⁾
MidAmerican Geothermal Development Corporation	Manager ⁽¹⁾

Goodman, Patrick J. (continued)

Business Entity	Title
MidAmerican Wind Tax Equity Holdings, LLC	Manager ⁽¹⁾
Morgan Community Solar, LLC	Manager ⁽¹⁾
Morgan CSG1, LLC	Manager ⁽¹⁾
Morgan CSG2, LLC	Manager ⁽¹⁾
Morgan CSG3, LLC	Manager ⁽¹⁾
MSPS Holdings, LLC	Manager ⁽¹⁾
NNGC Acquisition, LLC	Manager ⁽¹⁾
Norming Investments B.V.	Senior Vice President & Chief Financial Officer
Northern Electric plc.	Director
Northern Natural Gas Company	Director
Northern Powergrid Holdings Company	Director
Northern Powergrid Limited	Director
Northern Powergrid UK Holdings	Director
NVE Holdings, LLC	Manager ⁽¹⁾
Ormoc Cebu Ltd.	Executive Vice President & Chief Financial Officer
Ormoc Cebu Ltd.	Director
Pegasus Community Solar Gardens, LLC	Manager ⁽¹⁾
Pegasus CSG1, LLC	Manager ⁽¹⁾
Pegasus CSG2, LLC	Manager ⁽¹⁾
Pinyon Pines Funding, LLC	Manager ⁽¹⁾
Pinyon Pines I Holding Company, LLC	Manager ⁽¹⁾
Pinyon Pines II Holding Company, LLC	Manager ⁽¹⁾
Pinyon Pines Projects Holding, LLC	Manager ⁽¹⁾
Pollux Community Solar Gardens, LLC	Manager ⁽¹⁾
Pollux CSG1, LLC	Manager ⁽¹⁾
Pollux CSG2, LLC	Manager ⁽¹⁾
PPW Holdings, LLC	Manager ⁽¹⁾
Solar Star 3, LLC	Manager ⁽¹⁾
Solar Star Funding, LLC	Manager ⁽¹⁾
Solar Star Projects Holding, LLC	Manager ⁽¹⁾
Spica Community Solar Gardens, LLC	Manager ⁽¹⁾
Spica CSG1, LLC	Manager ⁽¹⁾
Spica CSG2, LLC	Manager ⁽¹⁾
SSC XIX, LLC	Manager ⁽¹⁾
SSC XX, LLC	Manager ⁽¹⁾
Sundial Holding, LLC	Manager ⁽¹⁾
Taurus Community Solar, LLC	Manager ⁽¹⁾
Taurus CSG1, LLC	Manager ⁽¹⁾
Taurus CSG2, LLC	Manager ⁽¹⁾
Taurus CSG3, LLC	Manager ⁽¹⁾
Taurus CSG4, LLC	Manager ⁽¹⁾
Tongonan Power Investment, Inc.	Executive Vice President & Chief Financial Officer
Tongonan Power Investment, Inc.	Director
TPZ Holding, LLC	Manager ⁽¹⁾
Vega Community Solar Gardens, LLC	Manager ⁽¹⁾
Vega CSG1, LLC	Manager ⁽¹⁾
Vega CSG2, LLC	Manager ⁽¹⁾
Vega CSG3, LLC	Manager ⁽¹⁾
Vega CSG4, LLC	Manager ⁽¹⁾
Vega CSG5, LLC	Manager ⁽¹⁾
Visayas Geothermal Power Company	Senior Vice President & Chief Financial Officer
Yorkshire Electricity Group plc.	Director
Yorkshire Power Finance Limited	Director
Yorkshire Power Group Limited	Director

Hocken, Natalie L.**Business Entity**

Berkshire Hathaway Energy Company
 Berkshire Hathaway Energy Company
 MEHC Insurance Services Ltd.
 MEHC Insurance Services Ltd.
 MidAmerican Funding, LLC
 NVE Insurance Company, Inc.
 NVE Insurance Company, Inc.

Title

Senior Vice President & General Counsel
 Corporate Secretary
 Vice President & Secretary
 Director
 Manager ⁽¹⁾
 President
 Director

Kelly, Andrea L.**Business Entity**

Berkshire Hathaway Energy Company
 NV Energy, Inc.

Title

Senior Vice President, Legislative & Regulatory
 Strategy
 Director

Kobliha, Nikki L.**Business Entity**

PacifiCorp Foundation

Title

Treasurer

Reiten, R. Patrick**Business Entity**

BHE Texas Transco, LLC
 Electric Transmission Texas, LLC
 PacifiCorp Foundation

Title

Manager ⁽¹⁾
 Manager ⁽¹⁾
 Director

(1) For LLCs, a manager is the equivalent of a director.

I. B. Changes in Ownership

Changes in Successive Ownership Between the Regulated Utility and Affiliated Interest For the Year Ended December 31, 2016

Refer to Exhibit 21 of the Berkshire Hathaway Inc. (“Berkshire Hathaway”) Form 10-K (File No. 001-14905) for a list of certain subsidiaries of Berkshire Hathaway Energy Company’s parent company, Berkshire Hathaway, as of December 31, 2016. Refer to Exhibit 21.1 of the Berkshire Hathaway Energy Company (“BHE”) Form 10-K (File No. 001-14881) for a list of certain subsidiaries of BHE as of December 31, 2016.

I. C. Affiliate Descriptions

A narrative description of each affiliated entity with which the regulated utility does business. State the factor(s) giving rise to the affiliation.

Narrative Descriptions for Each Affiliated Entity

Affiliated interests of PacifiCorp are defined by Oregon Revised Statutes 757.015, Revised Code of Washington 80.16.010 and California Public Utilities Commission Decision 97-12-088, as amended by Decision 98-08-035, as having two or more officers or directors in common with PacifiCorp, or by meeting the ownership requirements of five percent direct or indirect ownership.

In the ordinary course of business, PacifiCorp engaged in various transactions with several of its affiliated companies during the year ended December 31, 2016. Services provided by PacifiCorp and charged to affiliates related primarily to administrative services provided under the Intercompany Administrative Services Agreement (“IASA”) among Berkshire Hathaway Energy Company (“BHE”) and its affiliates, as well as wholesale energy supply and marketing activities, information technology and administrative support services and joint use services. Services provided by affiliates and charged to PacifiCorp related primarily to coal mining, the transportation of natural gas and coal, wholesale energy purchases and transmission of electricity, information technology goods and services, banking services, employee relocation services and administrative services provided under the IASA. Refer to Section III for information regarding the Umbrella Loan Agreement between PacifiCorp and Pacific Minerals, Inc. Throughout this report, the term “services” includes labor, overheads and related employee expenses.

Although PacifiCorp provides retail electricity services to certain affiliates within its service territory, such transactions are excluded from this report because they are billed at tariff rates. Due to the volume and breadth of the Berkshire Hathaway Inc. (“Berkshire Hathaway”) family of companies, it is possible that employees of PacifiCorp have made purchases from certain Berkshire Hathaway affiliates not listed here, and have been reimbursed by PacifiCorp for those purchases as a valid business expense. PacifiCorp does not believe those transactions would be material individually or in aggregate.

American Express Travel Related Services Company, Inc. (“American Express Travel”) – At December 31, 2016, Berkshire Hathaway held a 16.8% ownership interest in American Express Company, which wholly owns American Express Travel. American Express Company is a global services company whose principal products and services are charge and credit card products and travel-related services to consumers and businesses around the world. American Express Travel provides PacifiCorp travel arrangement services.

BNSF Railway Company (“BNSF”) – an indirect wholly owned subsidiary of Berkshire Hathaway. BNSF operates one of the largest railroad networks in North America. PacifiCorp has long-term coal transportation contracts with BNSF, including indirectly through a generating facility that is jointly owned by PacifiCorp and another utility, as well as right-of-way agreements.

Charter Communications, Inc. (“Charter”) – During the second quarter of 2016, Berkshire Hathaway’s ownership in Charter decreased to less than five percent of Charter’s outstanding common shares. Accordingly, this report reflects transactions between PacifiCorp and Charter that occurred between January 1, 2016 and August 15, 2016 (the date Berkshire Hathaway filed its Form 13-F for the quarter ended June 30, 2016 and its ownership of Charter became known). Charter is a provider of cable services offering video, internet and voice communication solutions to residential and commercial customers. Charter provides television programming and internet services to PacifiCorp. PacifiCorp provides joint use services to Charter.

Deere Credit, Inc. – At December 31, 2016, Berkshire Hathaway held a seven percent ownership interest in Deere & Company, which wholly owns Deere Credit, Inc. Deere & Company is a manufacturer and distributor of agriculture, turf, construction, earthmoving, material handling and timber harvesting equipment and related service parts and is also a provider of financing for the sales and leases of new and used equipment. Deere Credit, Inc. provides equipment rental services to PacifiCorp.

Environment One Corporation (“Environment One”) – On January 29, 2016, Berkshire Hathaway acquired Precision Castparts Corp., which wholly owns Environment One. Accordingly, this report reflects transactions between PacifiCorp and Environment One that occurred between January 29, 2016 and December 31, 2016. Environment One is a manufacturer and provider of products and services for sewer systems and instruments used by electric utilities to protect and optimize performance of assets. Environment One provides PacifiCorp with certain mechanical parts, supplies, and

services used by PacifiCorp's large thermal generation plants, including vacuum pumps, cloud chamber assemblies and collector analysis, cleaning and repair.

FlightSafety International Inc. ("FlightSafety") – a wholly owned subsidiary of Berkshire Hathaway, provides aviation educational courses. FlightSafety provides aviation training to PacifiCorp.

International Business Machines Corporation ("IBM") – At December 31, 2016, Berkshire Hathaway held an eight percent ownership interest in IBM. IBM provides integrated solutions and products, drawing from a portfolio of consulting and information technology implementation services, cloud and cognitive offerings and enterprise systems and software. IBM provides PacifiCorp with computer hardware and software and computer systems maintenance and support services.

Marmon Utility, LLC – an affiliate of Marmon Holdings, Inc. ("Marmon"), which Berkshire Hathaway held a 99.7% ownership interest at December 31, 2016. Marmon is an international association of numerous manufacturing and service businesses in energy-related and other markets. Marmon Utility, LLC provides materials to PacifiCorp.

Moody's Investors Service ("Moody's") – At December 31, 2016, Berkshire Hathaway held a 12.9% ownership interest in Moody's Corporation, which wholly owns Moody's. Moody's provides credit ratings and research covering debt instruments and securities. Moody's provides PacifiCorp with credit rating services.

National Indemnity Company ("NICO") – a wholly owned subsidiary of Berkshire Hathaway and is a provider of commercial insurance products. NICO provides PacifiCorp a surety bond.

Phillips 66 Company – At December 31, 2016, Berkshire Hathaway held a 15.6% ownership interest in Phillips 66, which wholly owns Phillips 66 Company. Phillips 66 is a diversified energy manufacturing and logistics company that processes, transports, stores and markets fuels and products globally. Phillips 66 Company provides PacifiCorp with lubricating oil and grease products.

U.S. Bancorp – At December 31, 2016, Berkshire Hathaway held a six percent ownership interest in U.S. Bancorp. U.S. Bancorp is a financial services company providing lending and depository services, credit card, merchant, and ATM processing, mortgage banking, cash management, capital markets, insurance, trust and investment management, brokerage and leasing activities. U.S. Bancorp provides banking services to PacifiCorp.

Wells Fargo & Company ("Wells Fargo") – At December 31, 2016, Berkshire Hathaway held a 10% ownership interest in Wells Fargo. Wells Fargo is a financial services company providing banking, insurance, trust and investments, mortgage banking, investment banking, retail banking, brokerage, and consumer and commercial finance to consumers, businesses and institutions. Wells Fargo provides banking services and financial transactions related to energy hedging activity to PacifiCorp.

Berkshire Hathaway Energy Company – a holding company owning subsidiaries that are principally engaged in energy businesses. BHE is a consolidated subsidiary of Berkshire Hathaway. As of February 17, 2017, Berkshire Hathaway owned approximately 90.0% of BHE's common stock. The balance of BHE's common stock is owned by Walter Scott, Jr., a director of BHE (along with family members and related entities) (5.3%⁽¹⁾ ownership interest as of February 17, 2017) and Gregory E. Abel, PacifiCorp's Chairman of the Board of Directors and Chief Executive Officer (1.0% ownership interest as of February 17, 2017). BHE and its subsidiaries provide administrative services to PacifiCorp under the IASA. PacifiCorp also provides administrative services to BHE and its subsidiaries under the IASA. Refer to Section VII for further discussion.

⁽¹⁾ Excludes 2,913,022 shares held by family members and family trusts and corporations, or Scott Family Interests, as to which Mr. Scott disclaims beneficial ownership.

BHE AltaLink Ltd. ("AltaLink") – an indirect wholly owned subsidiary of BHE Canada, LLC ("BHE Canada") and the indirect parent company of AltaLink, L.P., a regulated electric transmission-only company headquartered in Alberta, Canada. PacifiCorp provides administrative services to AltaLink under the IASA.

Metalogic Inspection Services Inc. (“Metalogic”) – an Alberta, Canada, corporation that provides ultrasonic inspection and testing services with phased array on pipes, boiler tubes and pressure vessels to third parties. Metalogic was an indirect wholly owned subsidiary of BHE when BHE sold Metalogic on September 30, 2016, and it ceased being an affiliate of PacifiCorp. Accordingly, this report reflects transactions between PacifiCorp and Metalogic that occurred between January 1, 2016 and September 30, 2016. PacifiCorp provided administrative services to Metalogic under the IASA.

Metalogic Inspection Services LLC (“Metalogic LLC”) – a wholly owned subsidiary of Metalogic. On September 30, 2016, BHE sold Metalogic and Metalogic LLC ceased being an affiliate of PacifiCorp. Accordingly, this report reflects transactions between PacifiCorp and Metalogic LLC that occurred between January 1, 2016 and September 30, 2016. Metalogic LLC provided inspection services and equipment to PacifiCorp.

BHE Renewables, LLC (“BHE Renewables”) – a wholly owned subsidiary of BHE. BHE Renewables was developed to oversee unregulated solar, wind, hydro and geothermal projects. BHE Renewables provides administrative services to PacifiCorp under the IASA. PacifiCorp also provides administrative services to BHE Renewables under the IASA.

CalEnergy Generation Operating Company (“CalEnergy Generation”) – an indirect wholly owned subsidiary of BHE Renewables. CalEnergy Generation is organized to manage and operate independent power projects in the United States. PacifiCorp provides administrative services to CalEnergy Generation under the IASA.

Cordova Energy Company LLC (“Cordova”) – an indirect wholly owned subsidiary of BHE Renewables. Cordova owns a 512-megawatt natural gas-fueled electric generation facility in Illinois. PacifiCorp provides administrative services to Cordova under the IASA.

Imperial Magma LLC (“Imperial Magma”) – an indirect wholly owned subsidiary of BHE Renewables. Imperial Magma owns and operates 338-megawatt geothermal-powered electric generation facilities in California. PacifiCorp provides administrative services to Imperial Magma under the IASA.

TX Jumbo Road Wind, LLC (“Jumbo Road”) – an indirect wholly owned subsidiary of BHE Renewables. Jumbo Road owns and operates a 300-megawatt wind-powered generation facility near Amarillo, Texas. PacifiCorp provides administrative services to Jumbo Road under the IASA.

Walnut Ridge Wind, LLC (“Walnut Ridge”) – an indirect wholly owned subsidiary of BHE Renewables. Walnut Ridge is constructing a 225-megawatt wind farm in north-central Bureau County, Illinois. PacifiCorp provides administrative services to Walnut Ridge under the IASA.

BHE U.S. Transmission, LLC (“BTL”) – a wholly owned subsidiary of BHE. BTL is engaged in various joint ventures to develop, own and operate transmission assets and is pursuing additional investment opportunities in the United States. BTL provides administrative services to PacifiCorp under the IASA. PacifiCorp also provides administrative services to BTL under the IASA.

BHE Midcontinent Transmission Holdings, LLC (“BHE Midcontinent”) – a wholly owned subsidiary of BTL. BHE Midcontinent and a subsidiary of Westar Energy, Inc. formed Midwest Power Midcontinent Transmission Development, LLC, a joint venture to develop, own and construct electric transmission projects in the Midcontinent Independent System Operator, Inc. region. PacifiCorp provides administrative services to BHE Midcontinent under the IASA.

BHE Southwest Transmission Holdings, LLC (“BHE Southwest”) – a wholly owned subsidiary of BTL. BHE Southwest and a subsidiary of Westar Energy, Inc. formed MPT Heartland Development, LLC, a joint venture to develop, own and construct electric transmission projects in the Southwest Power Pool region. PacifiCorp provides administrative services to BHE Southwest under the IASA.

Electric Transmission America, LLC (“ETA”) – a joint venture owned equally by a wholly owned subsidiary of BTL and subsidiaries of American Electric Power Company, Inc. ETA owns and operates electric transmission assets outside of the Electric Reliability Council of Texas. PacifiCorp provides administrative services to ETA under the IASA.

Electric Transmission Texas, LLC (“ETT”) – a joint venture owned equally by a wholly owned subsidiary of BTL and subsidiaries of American Electric Power Company, Inc. ETT owns and operates electric transmission assets in the Electric Reliability Council of Texas. PacifiCorp provides administrative services to ETT under the IASA.

MidAmerican Central California Transco, LLC (“MCCT”) – an indirect wholly owned subsidiary of BTL. MCCT was formed to construct, finance, own, operate and maintain new high-voltage transmission facilities, and will become a transmission-owning member of the California Independent System Operator Corporation as soon as it is eligible to do so. PacifiCorp provides administrative services to MCCT under the IASA.

MTL Canyon Holdings, LLC (“MTL”) – a wholly owned subsidiary of BTL. MTL and a subsidiary of Pinnacle West Capital Corporation formed TransCanyon, LLC, a joint venture to identify, develop, own and construct electric transmission projects in the 11 western states comprising the Western Electricity Coordinating Council footprint. PacifiCorp provides administrative services to MTL under the IASA.

CalEnergy Philippines – a group of wholly owned and majority owned subsidiaries of BHE located in the Philippines. The primary operating asset within this group is a 128-megawatt combined hydro and irrigation facility operated and maintained by CE Casecanan Water and Energy Company, Inc. PacifiCorp provides administrative services to CalEnergy Philippines under the IASA.

HomeServices of America, Inc. (“HomeServices”) – a majority-owned subsidiary of BHE, which held 97.8% ownership at December 31, 2016. HomeServices is a residential real estate brokerage firm whose services include relocation services, and provides such services to employees of PacifiCorp and its affiliates. PacifiCorp provides administrative services to HomeServices under the IASA.

Iowa Realty Co., Inc. (“Iowa Realty”) – a wholly owned subsidiary of HomeServices. Iowa Realty provides real estate brokerage and relocation services in Iowa. PacifiCorp provides administrative services to Iowa Realty under the IASA.

Kern River Gas Transmission Company (“Kern River”) – an indirect wholly owned subsidiary of BHE. Kern River owns an interstate natural gas pipeline system that extends from supply areas in the Rocky Mountains to consuming markets in Utah, Nevada and California. Kern River’s pipeline system consists of 1,700 miles of natural gas pipelines. Kern River’s transportation operations are subject to a regulated tariff that is on file with the Federal Energy Regulatory Commission. Kern River provides transportation of natural gas to certain PacifiCorp generating facilities in Utah, lease of temporary construction workspace and provides administrative services to PacifiCorp under the IASA. PacifiCorp provides administrative services to Kern River under the IASA.

MHC Inc. – an indirect wholly owned subsidiary of BHE. MHC Inc. is a holding company owning all of the common stock of MidAmerican Energy Company. MHC Inc. provides administrative services to PacifiCorp under the IASA.

MEC Construction Services Co. (“MCS”) – a wholly owned subsidiary of MHC Inc. MCS is a provider of non-regulated utility construction services. PacifiCorp provides administrative services to MCS under the IASA.

MidAmerican Energy Company (“MEC”) – a wholly owned subsidiary of MHC Inc. MEC is principally engaged in the business of generating, transmitting, distributing and selling electricity and in distributing, selling and transporting natural gas. MEC provides administrative services to PacifiCorp under the IASA. PacifiCorp also provides administrative services to MEC under the IASA.

Midwest Capital Group, Inc. (“MCG”) – a wholly owned subsidiary of MHC Inc. MCG holds a 100% interest in MHC Investment Company, as well as interests in other operating, financing and development companies. PacifiCorp provides administrative services to MCG under the IASA.

Northern Natural Gas Company (“Northern Natural”) – an indirect wholly owned subsidiary of BHE. Northern Natural owns the largest interstate natural gas pipeline system in the United States, as measured by pipeline miles, which reaches from west Texas to Michigan’s Upper Peninsula. Northern Natural primarily transports and stores natural gas for utilities, municipalities, gas marketing companies and industrial and commercial users. Northern Natural provides administrative services to PacifiCorp under the IASA. PacifiCorp also provides administrative services to Northern Natural under the IASA.

Northern Powergrid Holdings Company (“Northern Powergrid”) – an indirect wholly owned subsidiary of BHE. Northern Powergrid owns two companies that distribute electricity in Great Britain, Northern Powergrid (Northeast) Limited and Northern Powergrid (Yorkshire) plc. Northern Powergrid also owns a meter asset rental business that leases smart meters to energy suppliers in the United Kingdom and Ireland, an engineering contracting business that provides electrical infrastructure contracting services primarily to third parties and a hydrocarbon exploration and development business that is focused on developing integrated upstream gas projects in Europe and Australia. PacifiCorp provides administrative services to Northern Powergrid under the IASA.

NV Energy, Inc. (“NV Energy”) – an indirect wholly owned subsidiary of BHE. NV Energy is an energy holding company owning subsidiaries that are public utilities that are principally engaged in the business of generating, transmitting, distributing and selling electricity and distributing, selling and transporting natural gas. NV Energy provides administrative services to PacifiCorp under the IASA. PacifiCorp also provides administrative services to NV Energy under the IASA.

Nevada Power Company (“Nevada Power”) – a wholly owned subsidiary of NV Energy. Nevada Power is a regulated electric utility company serving retail customers in Nevada. PacifiCorp purchases wholesale energy and transmission services from Nevada Power and pays Nevada Power for its share of the costs to operate and maintain assets on the Harry Allen substation. PacifiCorp sells wholesale energy and transmission services to Nevada Power. Nevada Power also provides administrative services to PacifiCorp under the IASA. PacifiCorp also provides administrative services under the IASA.

Sierra Pacific Power Company (“Sierra Pacific”) – a wholly owned subsidiary of NV Energy. Sierra Pacific is a regulated electric and natural gas utility company serving retail electric customers and retail and transportation natural gas customers in Nevada. PacifiCorp purchases transmission services from Sierra Pacific. PacifiCorp sells transmission services to Sierra Pacific. Sierra Pacific provides administrative services to PacifiCorp under the IASA. PacifiCorp also provides administrative services to Sierra Pacific under the IASA.

MidAmerican Energy Services, LLC (“MES”) – an indirect wholly owned subsidiary of BHE. MES is a nonregulated energy business consisting of competitive electricity and natural gas retail sales. PacifiCorp provides administrative services under the IASA.

PPW Holdings LLC – the holding company for PacifiCorp and a direct subsidiary of BHE. PacifiCorp pays dividends to PPW Holdings LLC. PPW Holdings LLC remits income taxes on behalf of PacifiCorp to BHE.

Energy West Mining Company (“Energy West”) – a wholly owned subsidiary of PacifiCorp. Energy West has historically provided to PacifiCorp coal-mining services and mining operations of the Deer Creek mine utilizing PacifiCorp's assets. The Deer Creek mine is in the process of closure activities. PacifiCorp provided information technology and administrative services to Energy West.

Fossil Rock Fuels, LLC (“Fossil Rock”) – a wholly owned subsidiary of PacifiCorp. Fossil Rock served as the leaseholder for certain coal reserves until June 5, 2015, when the associated coal reserves were sold to Fossil Rock Resources, LLC.

Interwest Mining Company (“Interwest Mining”) – a wholly owned subsidiary of PacifiCorp that provides technical and administrative services to PacifiCorp and Bridger Coal Company. Interwest Mining manages PacifiCorp's mining operations and charges a management fee to Bridger Coal Company and Energy West that is intended to compensate it, without profit, for its cost of managing these entities. PacifiCorp provides financial support services and employee benefits to Interwest Mining and these costs are included in the management fee that Interwest Mining charges. All costs incurred by Interwest Mining are absorbed by PacifiCorp, Bridger Coal Company and Energy West.

Pacific Minerals, Inc. (“PMI”) – a wholly owned subsidiary of PacifiCorp that owns 66.67% of Bridger Coal Company, the coal mining joint venture with Idaho Energy Resources Company (“IERC”), a subsidiary of Idaho Power Company. PMI is the entity that employs the individuals that work for Bridger Coal Company.

Bridger Coal Company (“Bridger Coal”) – a coal mining joint venture 66.67% owned by PMI and 33.33% owned by IERC. Bridger Coal was formed to supply coal to the Jim Bridger generating facility. The Jim Bridger generating facility is 66.67% owned by PacifiCorp and 33.33% owned by Idaho Power Company. PacifiCorp provides information technology and administrative services to Bridger Coal.

PacifiCorp Foundation – an independent non-profit foundation created by PacifiCorp in 1988. PacifiCorp Foundation supports the growth and vitality of the communities where PacifiCorp and its businesses have operations, employees or interests. PacifiCorp Foundation operates as the Rocky Mountain Power Foundation and the Pacific Power Foundation. PacifiCorp provides administrative services to the PacifiCorp Foundation.

Trapper Mining Inc. – a cooperative in which PacifiCorp holds a 21.40% interest, the Salt River Project Agricultural Improvement and Power District, an unaffiliated entity, holds a 32.10% interest, Tri-State Generation and Transmission Association, Inc., an unaffiliated entity, holds a 26.57% interest and the Platte River Power Authority, an unaffiliated entity, holds a 19.93% interest. Trapper Mining Inc. was formed to supply coal to the Craig generating facility. The Craig generating facility is 19.28% owned by PacifiCorp. In addition to Trapper Mining Inc. providing coal to PacifiCorp, one of PacifiCorp’s employees serves on the Trapper Mining Inc. board of directors. PacifiCorp is compensated for this service.

Cottonwood Creek Consolidated Irrigation Company (“CCCIC”) – a non-profit mutual irrigation company, which is a privately owned water stock company. PacifiCorp holds approximately 26% of the outstanding water stock in CCCIC. PacifiCorp pays annual assessment fees to CCCIC to help cover its operating and maintenance costs, as well as other costs pertinent to conducting its business, in exchange for receiving access to water used by PacifiCorp’s Hunter generating facility. PacifiCorp also previously made capital investments in CCCIC to ensure a long-term, firm water supply for its Hunter generating facility.

Ferron Canal & Reservoir Company (“FCRC”) – a non-profit mutual irrigation company, which is a privately owned water stock company. PacifiCorp holds approximately 37% of the outstanding water stock in FCRC. PacifiCorp pays annual assessment fees to FCRC to help cover its operating and maintenance costs, as well as other costs pertinent to conducting its business, in exchange for receiving access to water used by PacifiCorp’s Hunter generating facility. PacifiCorp also contracts additional water from FCRC, which is made available to the Hunter generating facility through a long-term agreement between FCRC and PacifiCorp. The agreement calls for PacifiCorp to make an annual payment to FCRC and in return, FCRC provides PacifiCorp up to 7,000 acre-feet of water.

Huntington Cleveland Irrigation Company (“HCIC”) – a non-profit mutual irrigation company, which is a privately owned water stock company. PacifiCorp holds approximately 34% of HCIC’s water shares. PacifiCorp pays annual assessment fees to HCIC to help cover its operating and maintenance costs, as well as other costs pertinent to conducting its business, in exchange for receiving access to water used by PacifiCorp’s Huntington generating facility. PacifiCorp also previously made capital investments in HCIC to ensure a long-term, firm water supply for its Huntington generating facility.

I. D. Financial Statements

Financial statements or trial balances for the year ended December 31, 2016 are included in Section II. Transactions.

Summary of transactions included in Section II for the Year Ended December 31, 2016

Affiliated Entity	Ownership Interest as of 12/31/2016	Services provided pursuant to the IASA ⁽¹⁾			Non-IASA goods and services		
		PacifiCorp Received Services	PacifiCorp Provided Services	Total PacifiCorp Received and Provided Services	PacifiCorp Received Services	PacifiCorp Provided Services	Total PacifiCorp Received and Provided Services
American Express Travel Related Services Company, Inc.	16.8%	\$ -	\$ -	\$ -	\$ 39,343	\$ -	\$ 39,343
BNSF Railway Company	100%	-	-	-	37,262,344	-	37,262,344
Charter Communications, Inc. ⁽²⁾	<5%	-	-	-	8,362	946,509	954,871
Deere Credit, Inc.	7%	-	-	-	386,710	-	386,710
Environment One Corporation ⁽²⁾	100%	-	-	-	80,746	-	80,746
FlightSafety International Inc.	100%	-	-	-	18,900	-	18,900
International Business Machines Corporation	8%	-	-	-	2,155,311	-	2,155,311
Marmon Utility, LLC	99.7%	-	-	-	86,293	-	86,293
Moody's Investors Service	12.9%	-	-	-	137,774	-	137,774
National Indemnity Company	100%	-	-	-	12,838	-	12,838
Phillips 66 Company	15.6%	-	-	-	750,859	-	750,859
U.S. Bancorp	6%	-	-	-	528,971	-	528,971
Wells Fargo & Company	10%	-	-	-	1,263,672	-	1,263,672
Berkshire Hathaway Energy Company	90%	5,820,689	92,471	5,913,160	-	-	-
BHE AltaLink Ltd.	100%	-	36,413	36,413	-	-	-
Metalogic Inspection Services Inc. ⁽²⁾	0%	-	260	260	-	-	-
Metalogic Inspection Services LLC ⁽²⁾	0%	-	-	-	82,986	-	82,986
BHE Renewables, LLC	100%	8,040	82,627	90,667	-	-	-
CalEnergy Generation Operating Company	100%	-	44,455	44,455	-	-	-
Cordova Energy Company LLC	100%	-	22	22	-	-	-
Imperial Magma LLC	100%	-	1,249	1,249	-	-	-
TX Jumbo Road Wind, LLC	100%	-	122	122	-	-	-
Walnut Ridge Wind, LLC	100%	-	2,999	2,999	-	-	-
BHE U.S. Transmission, LLC	100%	15,521	1,496,460	1,511,981	-	-	-
BHE Midcontinent Transmission Holdings, LLC	100%	-	41,358	41,358	-	-	-
BHE Southwest Transmission Holdings, LLC	100%	-	37,039	37,039	-	-	-
Electric Transmission America, LLC	50%	-	1,736	1,736	-	-	-
Electric Transmission Texas, LLC	50%	-	153,422	153,422	-	-	-
MidAmerican Central California Transco, LLC	100%	-	230,156	230,156	-	-	-
MTL Canyon Holdings, LLC	100%	-	419,828	419,828	-	-	-
CalEnergy Philippines	various	-	1,503	1,503	-	-	-
HomeServices of America, Inc.	97.8%	-	182,064	182,064	1,412,541	-	1,412,541
Iowa Realty Co., Inc.	100%	-	6,876	6,876	-	-	-
Kern River Gas Transmission Company	100%	9,280	87,837	97,117	3,390,978	-	3,390,978
MHC Inc.	100%	126,469	-	126,469	-	-	-
MEC Construction Services Co.	100%	-	8,850	8,850	-	-	-
MidAmerican Energy Company	100%	3,199,195	927,942	4,127,137	-	-	-
Midwest Capital Group, Inc.	100%	-	451	451	-	-	-
Northern Natural Gas Company	100%	26,008	182,555	208,563	-	-	-
Northern Powergrid Holdings Company	100%	-	36,902	36,902	-	-	-
NV Energy, Inc.	100%	364,975	136,652	501,627	-	-	-
Nevada Power Company	100%	48,910	102,746	151,656	1,748,100	530,267	2,278,367
Sierra Pacific Power Company	100%	5,217	55,799	61,016	60,660	67,474	128,134
MidAmerican Energy Services, LLC	100%	-	7,360	7,360	-	-	-
PPW Holdings LLC	100%	-	-	-	-	-	-
Energy West Mining Company	100%	-	-	-	-	46,860	46,860
Fossil Rock Fuels, LLC	100%	-	-	-	-	-	-
Interwest Mining Company	100%	-	-	-	73,113	127,133	200,246
Pacific Minerals, Inc.	100%	-	-	-	-	-	-
Bridger Coal Company	66.7%	-	-	-	163,469,103	980,399	164,449,502
PacifiCorp Foundation	0%	-	-	-	-	127,051	127,051
Trapper Mining Inc.	21.4%	-	-	-	10,791,869	4,465	10,796,334
Cottonwood Creek Consolidated Irrigation Company	26%	-	-	-	332,588	-	332,588
Ferron Canal & Reservoir Company	37%	-	-	-	1,023,124	-	1,023,124
Huntington Cleveland Irrigation Company	34%	-	-	-	528,309	-	528,309
Total Affiliated Services by Category		\$ 9,624,304	\$ 4,378,154	\$ 14,002,458	\$ 225,645,494	\$ 2,830,158	\$ 228,475,652

(1) Intercompany Administrative Services Agreement

(2) This entity was an affiliate for only part of the year ended December 31, 2016. Accordingly, the amounts reported reflect only transactions between PacifiCorp and the entity that occurred during the period the entity was an affiliate. For further information, refer to the entity's page in this Section II. Transactions.

II. Transactions

The following pages include the following information about services⁽¹⁾ rendered by the regulated utility to the affiliate and vice versa:

- **A description of the nature of the transactions**
- **Total charges or billings**
- **Information about the basis of pricing, cost of service, the margin of charges over costs, assets allocable to the services and the overall rate of return on assets**

Refer to Appendix A for a discussion of public utility commission orders approving transactions with affiliates.

At times, entities controlled by PacifiCorp directly transact with one another. Additionally, entities controlled by PacifiCorp may transact directly with Berkshire Hathaway Energy Company (“BHE”) and its subsidiaries. As PacifiCorp is not party to these transactions, such transactions have been excluded from the tables presented on the following pages and instead are disclosed in the footnotes to the tables.

The following items are excluded from this report as they do not constitute “services” as required by this report.

- “Convenience” payments made to vendors by one entity within the BHE group on behalf of, and charged to, other entities within the BHE group. Such convenience payments reflect the ability to obtain price discounts as a result of larger purchasing power.
- Reimbursements by BHE for payments made by PacifiCorp to its employees under the long-term incentive plan that was maintained by BHE upon vesting of the previously granted awards and reimbursements of payments related to wages and benefits associated with transferred employees.

Refer to the following page for a summary of the transactions included in this Section II.

⁽¹⁾ In this Section II. Transactions, the term “services” as used in the headers “PacifiCorp Received Services” and “PacifiCorp Provided Services” encompasses both service and non-service transactions, which may include, but is not limited to, goods, assets and fees.

American Express Travel Related Services Company, Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Travel arrangement services	\$ <u>39,343</u>	\$ <u>-</u>
Total	\$ <u>39,343</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) American Express Travel Related Services Company, Inc. provides services to PacifiCorp in the normal course of business at standard pricing.

American Express Travel Related Services Company, Inc. is not a public company, and its financial statements are not available. The financial statements of its parent company, American Express Company, are included. For further information on the following financial statements, refer to American Express Company's Form 10-K for the year ended December 31, 2016 (File No. 1-7657) at www.sec.gov.

December 31 (Millions, except share data)	2016	2015
Assets		
Cash and cash equivalents		
Cash and due from banks	\$ 3,278	\$ 2,935
Interest-bearing deposits in other banks (includes securities purchased under resale agreements: 2016, \$115; 2015, \$41)	20,779	19,569
Short-term investment securities	1,151	258
Total cash and cash equivalents	25,208	22,762
Card Member loans and receivables held for sale (includes gross loans and receivables available to settle obligations of consolidated variable interest entities: 2015, \$4,966)	—	14,992
Accounts receivable		
Card Member receivables (includes gross receivables available to settle obligations of a consolidated variable interest entity: 2016, \$8,874; 2015, \$6,649), less reserves: 2016, \$467; 2015, \$462	46,841	43,671
Other receivables, less reserves: 2016, \$45; 2015, \$43	3,232	3,024
Loans		
Card Member loans (includes gross loans available to settle obligations of a consolidated variable interest entity: 2016, \$26,129; 2015, \$23,559), less reserves: 2016, \$1,223; 2015, \$1,028	64,042	57,545
Other loans, less reserves: 2016, \$42; 2015, \$20	1,419	1,254
Investment securities	3,157	3,759
Premises and equipment, less accumulated depreciation and amortization: 2016, \$5,145; 2015, \$6,801	4,433	4,108
Other assets (includes restricted cash of consolidated variable interest entities: 2016, \$38; 2015, \$155)	10,561	10,069
Total assets	\$ 158,893	\$ 161,184
Liabilities and Shareholders' Equity		
Liabilities		
Customer deposits	\$ 53,042	\$ 54,997
Travelers Cheques and other prepaid products	2,812	3,247
Accounts payable	11,190	11,822
Short-term borrowings (includes debt issued by a consolidated variable interest entity: 2016, nil; 2015, \$100)	5,581	4,812
Long-term debt (includes debt issued by consolidated variable interest entities: 2016, \$15,113; 2015, \$13,602)	46,990	48,061
Other liabilities	18,777	17,572
Total liabilities	\$ 138,392	\$ 140,511
Contingencies and Commitments (Note 13)		
Shareholders' Equity		
Preferred shares, \$1.66 ^{2/3} par value, authorized 20 million shares; issued and outstanding 1,600 shares as of December 31, 2016 and 2015 (Note 17)	—	—
Common shares, \$0.20 par value, authorized 3.6 billion shares; issued and outstanding 904 million shares as of December 31, 2016 and 969 million shares as of December 31, 2015	181	194
Additional paid-in capital	12,733	13,348
Retained earnings	10,371	9,665
Accumulated other comprehensive loss		
Net unrealized securities gains, net of tax of: 2016, \$5; 2015, \$32	7	58
Foreign currency translation adjustments, net of tax of: 2016, \$24; 2015, \$(100)	(2,262)	(2,044)
Net unrealized pension and other postretirement benefit losses, net of tax of: 2016, \$(186); 2015, \$(223)	(529)	(548)
Total accumulated other comprehensive loss	(2,784)	(2,534)
Total shareholders' equity	20,501	20,673
Total liabilities and shareholders' equity	\$ 158,893	\$ 161,184

See Notes to Consolidated Financial Statements.

Years Ended December 31 (<i>Millions, except per share amounts</i>)	2016	2015	2014
Revenues			
Non-interest revenues			
Discount revenue	\$ 18,680	\$ 19,297	\$ 19,389
Net card fees	2,886	2,700	2,712
Other fees and commissions	2,753	2,866	3,626
Other	2,029	2,033	2,989
Total non-interest revenues	26,348	26,896	28,716
Interest income			
Interest on loans	7,205	7,309	6,929
Interest and dividends on investment securities	131	157	179
Deposits with banks and other	139	79	71
Total interest income	7,475	7,545	7,179
Interest expense			
Deposits	598	475	373
Long-term debt and other	1,106	1,148	1,334
Total interest expense	1,704	1,623	1,707
Net interest income	5,771	5,922	5,472
Total revenues net of interest expense	32,119	32,818	34,188
Provisions for losses			
Charge card	696	737	792
Card Member loans	1,235	1,190	1,138
Other	95	61	114
Total provisions for losses	2,026	1,988	2,044
Total revenues net of interest expense after provisions for losses	30,093	30,830	32,144
Expenses			
Marketing and promotion	3,650	3,109	3,216
Card Member rewards	6,793	6,996	6,931
Card Member services and other	1,133	1,018	822
Salaries and employee benefits	5,259	4,976	6,095
Other, net	5,162	6,793	6,089
Total expenses	21,997	22,892	23,153
Pretax income	8,096	7,938	8,991
Income tax provision	2,688	2,775	3,106
Net income	\$ 5,408	\$ 5,163	\$ 5,885
Earnings per Common Share — (Note 22)^(a)			
Basic	\$ 5.67	\$ 5.07	\$ 5.58
Diluted	\$ 5.65	\$ 5.05	\$ 5.56
Average common shares outstanding for earnings per common share:			
Basic	933	999	1,045
Diluted	935	1,003	1,051

(a) Represents net income less (i) earnings allocated to participating share awards of \$43 million, \$38 million and \$46 million for the years ended December 31, 2016, 2015 and 2014, respectively, and (ii) dividends on preferred shares of \$80 million, \$62 million and nil for the years ended December 31, 2016, 2015 and 2014, respectively.

See Notes to Consolidated Financial Statements.

BNSF Railway Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Rail services	\$ 37,213,748	\$ -
Right-of-way fees	<u>48,596</u>	<u>-</u>
Total	<u>\$ 37,262,344</u>	<u>\$ -</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) Rail services are based on negotiated prices under long-term contracts. Right-of-way fees are based on factors such as square footage.

For further information on the following financial statements, refer to BNSF Railway Company's Form 10-K for the year ended December 31, 2016 (File No. 1-6324) at www.sec.gov.

BNSF Railway Company and Subsidiaries

Consolidated Balance Sheets

In millions

	December 31, 2016	December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 570	\$ 565
Accounts receivable, net	1,508	1,230
Materials and supplies	825	829
Current portion of deferred income taxes	—	245
Other current assets	278	256
Total current assets	3,181	3,125
Property and equipment, net of accumulated depreciation of \$6,124 and \$4,864, respectively	61,213	59,454
Goodwill	14,803	14,803
Intangible assets, net	423	453
Other assets	2,155	2,057
Total assets	\$ 81,775	\$ 79,892
Liabilities and Stockholder's Equity		
Current liabilities:		
Accounts payable and other current liabilities	\$ 3,492	\$ 2,956
Long-term debt due within one year	85	214
Total current liabilities	3,577	3,170
Deferred income taxes	20,001	19,217
Long-term debt	1,467	1,569
Casualty and environmental liabilities	584	609
Intangible liabilities, net	567	667
Pension and retiree health and welfare liability	321	353
Other liabilities	1,120	978
Total liabilities	27,637	26,563
Commitments and contingencies (see Notes 11 and 12)		
Stockholder's equity:		
Common stock, \$1 par value, 1,000 shares authorized; issued and outstanding and paid-in-capital	42,920	42,920
Retained earnings	27,218	22,958
Intercompany notes receivable	(16,119)	(12,597)
Accumulated other comprehensive income (loss)	119	48
Total stockholder's equity	54,138	53,329
Total liabilities and stockholder's equity	\$ 81,775	\$ 79,892

See accompanying Notes to Consolidated Financial Statements.

BNSF Railway Company and Subsidiaries

Consolidated Statements of Income

In millions

	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Revenues	\$ 19,278	\$ 21,401	\$ 22,714
Operating expenses:			
Compensation and benefits	4,717	4,994	4,983
Depreciation and amortization	2,115	1,993	2,117
Purchased services	2,037	2,056	2,167
Fuel	1,934	2,656	4,478
Equipment rents	766	801	867
Materials and other	1,072	1,134	1,108
Total operating expenses	12,641	13,634	15,720
Operating income	6,637	7,767	6,994
Interest expense	50	35	44
Interest income, related parties	(197)	(131)	(102)
Other expense, net	5	20	11
Income before income taxes	6,779	7,843	7,041
Income tax expense	2,519	2,928	2,644
Net income	\$ 4,260	\$ 4,915	\$ 4,397

See accompanying Notes to Consolidated Financial Statements.

Charter Communications, Inc.
Affiliated Transactions
For the Period from January 1, 2016 to August 15, 2016 ^(a)

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Television programming and internet	\$ 8,362	\$ -
Joint use services	<u>-</u>	<u>946,509</u>
Total	<u>\$ 8,362</u>	<u>\$ 946,509</u>
Basis of pricing	(b)	(c)
Cost of service	(b)	(c)
The margin of charges over costs	(b)	(c)
Assets allocable to the services	(b)	(c)
The overall rate of return on assets	(b)	(c)

- (a) During the second quarter of 2016, Berkshire Hathaway's ownership in Charter Communications, Inc. ("Charter") decreased to less than five percent of Charter's outstanding common shares. Accordingly, this report reflects transactions between PacifiCorp and Charter that occurred between January 1, 2016 and August 15, 2016 (the date Berkshire Hathaway filed its Form 13-F for the quarter ended June 30, 2016 and its ownership of Charter became known).
- (b) Charter provides services to PacifiCorp in the normal course of business at standard pricing.
- (c) Joint use services include the following: Pole attachment rental fees priced in accordance with a formula approved by the Federal Communications Commission or applicable public utility commission, pole work priced at actual costs incurred by PacifiCorp, inspection and application fees priced at a standard flat rate, safety sanctions priced in accordance with Oregon Administrative Rule 860-028-0150 and the sale of pole(s) priced based on asset remaining life value.

For further information on the following financial statements, refer to Charter Communications, Inc.'s Form 10-K for the year ended December 31, 2016 (File No. 001-33664) at www.sec.gov.

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(dollars in millions, except share data)

	December 31,	
	2016	2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,535	\$ 5
Accounts receivable, less allowance for doubtful accounts of \$124 and \$21, respectively	1,432	279
Prepaid expenses and other current assets	333	61
Total current assets	3,300	345
RESTRICTED CASH AND CASH EQUIVALENTS	—	22,264
INVESTMENT IN CABLE PROPERTIES:		
Property, plant and equipment, net of accumulated depreciation of \$11,103 and \$6,518, respectively	32,963	8,345
Customer relationships, net	14,608	856
Franchises	67,316	6,006
Goodwill	29,509	1,168
Total investment in cable properties, net	144,396	16,375
OTHER NONCURRENT ASSETS	1,371	332
Total assets	\$ 149,067	\$ 39,316
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 7,544	\$ 1,972
Current portion of long-term debt	2,028	—
Total current liabilities	9,572	1,972
LONG-TERM DEBT	59,719	35,723
DEFERRED INCOME TAXES	26,665	1,590
OTHER LONG-TERM LIABILITIES	2,745	77
SHAREHOLDERS' EQUITY (DEFICIT):		
Class A common stock; \$.001 par value; 900 million shares authorized; 268,897,792 and 112,438,828 shares issued and outstanding, respectively	—	—
Class B common stock; \$.001 par value; 1,000 and 25 million shares authorized, respectively; 1 and no shares issued and outstanding, respectively	—	—
Preferred stock; \$.001 par value; 250 million shares authorized; no shares issued and outstanding	—	—
Additional paid-in capital	39,413	2,028
Retained earnings (accumulated deficit)	733	(2,061)
Accumulated other comprehensive loss	(7)	(13)
Total Charter shareholders' equity (deficit)	40,139	(46)
Noncontrolling interests	10,227	—
Total shareholders' equity (deficit)	50,366	(46)
Total liabilities and shareholders' equity (deficit)	\$ 149,067	\$ 39,316

CHARTER COMMUNICATIONS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(dollars in millions, except per share and share data)

	Year Ended December 31,		
	2016	2015	2014
REVENUES	\$ 29,003	\$ 9,754	\$ 9,108
COSTS AND EXPENSES:			
Operating costs and expenses (exclusive of items shown separately below)	18,655	6,426	5,973
Depreciation and amortization	6,907	2,125	2,102
Other operating expenses, net	86	89	62
	25,648	8,640	8,137
Income from operations	3,355	1,114	971
OTHER EXPENSES:			
Interest expense, net	(2,499)	(1,306)	(911)
Loss on extinguishment of debt	(111)	(128)	—
Gain (loss) on financial instruments, net	89	(4)	(7)
Other expense, net	(14)	(7)	—
	(2,535)	(1,445)	(918)
Income (loss) before income taxes	820	(331)	53
Income tax benefit (expense)	2,925	60	(236)
Consolidated net income (loss)	3,745	(271)	(183)
Less: Net income attributable to noncontrolling interests	(223)	—	—
Net income (loss) attributable to Charter shareholders	\$ 3,522	\$ (271)	\$ (183)
EARNINGS (LOSS) PER COMMON SHARE ATTRIBUTABLE TO CHARTER SHAREHOLDERS:			
Basic	\$ 17.05	\$ (2.68)	\$ (1.88)
Diluted	\$ 15.94	\$ (2.68)	\$ (1.88)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:			
Basic	206,539,100	101,152,647	97,991,915
Diluted	234,791,439	101,152,647	97,991,915

Deere Credit, Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Equipment rental	\$ <u>386,710</u>	\$ <u>-</u>
Total	\$ <u>386,710</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) Deere Credit, Inc. provides services to PacifiCorp in the normal course of business at standard pricing.

Deere Credit, Inc. is not a public company, and its financial statements are not available. The financial statements of its parent company, Deere & Company, are included. For further information on the following financial statements, refer to Deere & Company's Form 10-K for the year ended October 31, 2016 (File No. 1-4121) at www.sec.gov.

DEERE & COMPANY
CONSOLIDATED BALANCE SHEET
As of October 31, 2016 and 2015
(In millions of dollars except per share amounts)

	2016	2015
ASSETS		
Cash and cash equivalents	\$ 4,335.8	\$ 4,162.2
Marketable securities	453.5	437.4
Receivables from unconsolidated affiliates	16.5	33.3
Trade accounts and notes receivable – net	3,011.3	3,051.1
Financing receivables – net	23,702.3	24,809.0
Financing receivables securitized – net	5,126.5	4,834.6
Other receivables	1,018.5	991.2
Equipment on operating leases – net	5,901.5	4,970.4
Inventories	3,340.5	3,817.0
Property and equipment – net	5,170.6	5,181.5
Investments in unconsolidated affiliates	232.6	303.5
Goodwill	815.7	726.0
Other intangible assets – net	104.1	63.6
Retirement benefits	93.6	215.6
Deferred income taxes	2,964.4	2,767.3
Other assets	1,694.0	1,583.9
Total Assets	<u>\$ 57,981.4</u>	<u>\$ 57,947.6</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Short-term borrowings	\$ 6,912.2	\$ 8,426.6
Short-term securitization borrowings	5,002.5	4,590.0
Payables to unconsolidated affiliates	81.6	80.6
Accounts payable and accrued expenses	7,240.1	7,311.5
Deferred income taxes	166.0	160.8
Long-term borrowings	23,759.7	23,832.8
Retirement benefits and other liabilities	8,274.5	6,787.7
Total liabilities	<u>51,436.6</u>	<u>51,190.0</u>
Commitments and contingencies (Note 22)		
Redeemable noncontrolling interest (Note 4)	14.0	
STOCKHOLDERS' EQUITY		
Common stock, \$1 par value (authorized – 1,200,000,000 shares; issued – 536,431,204 shares in 2016 and 2015), at paid-in amount	3,911.8	3,825.6
Common stock in treasury, 221,663,380 shares in 2016 and 219,743,893 shares in 2015, at cost	(15,677.1)	(15,497.6)
Retained earnings	23,911.3	23,144.8
Accumulated other comprehensive income (loss)	(5,626.0)	(4,729.4)
Total Deere & Company stockholders' equity	<u>6,520.0</u>	<u>6,743.4</u>
Noncontrolling interests	10.8	14.2
Total stockholders' equity	<u>6,530.8</u>	<u>6,757.6</u>
Total Liabilities and Stockholders' Equity	<u>\$ 57,981.4</u>	<u>\$ 57,947.6</u>

The notes to consolidated financial statements are an integral part of this statement.

DEERE & COMPANY

STATEMENT OF CONSOLIDATED INCOME

For the Years Ended October 31, 2016, 2015 and 2014

(In millions of dollars)

	2016	2015	2014
Net Sales and Revenues			
Net sales	\$23,387.3	\$25,775.2	\$32,960.6
Finance and interest income	2,511.2	2,381.1	2,282.1
Other income	745.5	706.5	824.2
Total	<u>26,644.0</u>	<u>28,862.8</u>	<u>36,066.9</u>
Costs and Expenses			
Cost of sales	18,248.9	20,143.2	24,775.8
Research and development expenses	1,389.1	1,425.1	1,452.0
Selling, administrative and general expenses	2,763.7	2,873.3	3,284.4
Interest expense	763.7	680.0	664.0
Other operating expenses	1,254.6	961.1	1,093.3
Total	<u>24,420.0</u>	<u>26,082.7</u>	<u>31,269.5</u>
Income of Consolidated Group before Income Taxes	2,224.0	2,780.1	4,797.4
Provision for income taxes	700.1	840.1	1,626.5
Income of Consolidated Group	1,523.9	1,940.0	3,170.9
Equity in income (loss) of unconsolidated affiliates	(2.4)	.9	(7.6)
Net Income	1,521.5	1,940.9	3,163.3
Less: Net income (loss) attributable to noncontrolling interests	(2.4)	.9	1.6
Net Income Attributable to Deere & Company	<u>\$ 1,523.9</u>	<u>\$ 1,940.0</u>	<u>\$ 3,161.7</u>
Per Share Data			
Basic	\$ 4.83	\$ 5.81	\$ 8.71
Diluted	\$ 4.81	\$ 5.77	\$ 8.63
Dividends declared	\$ 2.40	\$ 2.40	\$ 2.22
Average Shares Outstanding			
Basic	315.2	333.6	363.0
Diluted	316.6	336.0	366.1

The notes to consolidated financial statements are an integral part of this statement.

Environment One Corporation
Affiliated Transactions
For the Period from January 29, 2016 to December 31, 2016 ^(a)

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Equipment parts	\$ <u>80,746</u>	\$ <u>-</u>
Total	\$ <u>80,746</u>	\$ <u>-</u>
Basis of pricing	(b)	N/A
Cost of service	(b)	N/A
The margin of charges over costs	(b)	N/A
Assets allocable to the services	(b)	N/A
The overall rate of return on assets	(b)	N/A

(a) On January 29, 2016, Berkshire Hathaway acquired Precision Castparts Corp., which wholly owns Environment One Corporation ("Environment One"). Accordingly, this report reflects transactions between PacifiCorp and Environment One that occurred between January 29, 2016 and December 31, 2016.

(b) Environment One provides services to PacifiCorp in the normal course of business at standard pricing.

Environment One is not a public company, and its financial statements are not available.

FlightSafety International Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Aviation training	\$ <u>18,900</u>	\$ <u>-</u>
Total	\$ <u>18,900</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) FlightSafety International Inc. provides services to PacifiCorp in the normal course of business at standard pricing.

FlightSafety International Inc. is not a public company, and its financial statements are not available.

International Business Machines Corporation
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Computer hardware and software and computer systems maintenance and support services	\$ <u>2,155,311</u>	\$ <u>-</u>
Total	\$ <u>2,155,311</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) International Business Machines Corporation provides services to PacifiCorp in the normal course of business at standard pricing.

For further information on the following financial statements, refer to International Business Machines Corporation's Form 10-K for the year ended December 31, 2016 (File No. 1-2360) at www.sec.gov.

Consolidated Statement of Financial Position
International Business Machines Corporation and Subsidiary Companies

(\$ in millions except per share amounts)

At December 31:	Notes	2016	2015
Assets			
Current assets			
Cash and cash equivalents		\$ 7,826	\$ 7,686
Marketable securities	D	701	508
Notes and accounts receivable—trade (net of allowances of \$290 in 2016 and \$367 in 2015)		9,182	8,333
Short-term financing receivables (net of allowances of \$337 in 2016 and \$490 in 2015)	F	19,006	19,020
Other accounts receivable (net of allowances of \$48 in 2016 and \$51 in 2015)		1,057	1,201
Inventories	E	1,553	1,551
Prepaid expenses and other current assets		4,564	4,205
Total current assets		43,888	42,504
Property, plant and equipment	G	30,133	29,342
Less: Accumulated depreciation	G	19,303	18,615
Property, plant and equipment—net	G	10,830	10,727
Long-term financing receivables (net of allowances of \$101 in 2016 and \$118 in 2015)	F	9,021	10,013
Prepaid pension assets	S	3,034	1,734
Deferred taxes	N	5,224	4,822
Goodwill	I	36,199	32,021
Intangible assets—net	I	4,688	3,487
Investments and sundry assets	H	4,585	5,187
Total assets		\$117,470	\$110,495
Liabilities and equity			
Current liabilities			
Taxes	N	\$ 3,235	\$ 2,847
Short-term debt	D&J	7,513	6,461
Accounts payable		6,209	6,028
Compensation and benefits		3,577	3,560
Deferred income		11,035	11,021
Other accrued expenses and liabilities		4,705	4,353
Total current liabilities		36,275	34,269
Long-term debt	D&J	34,655	33,428
Retirement and nonpension postretirement benefit obligations	S	17,070	16,504
Deferred income		3,600	3,771
Other liabilities	K	7,477	8,099
Total liabilities		99,078	96,071
Contingencies and commitments	M		
Equity	L		
IBM stockholders' equity			
Common stock, par value \$.20 per share, and additional paid-in capital		53,935	53,262
Shares authorized: 4,687,500,000			
Shares issued (2016—2,225,116,815; 2015—2,221,223,449)			
Retained earnings		152,759	146,124
Treasury stock, at cost (shares: 2016—1,279,249,412; 2015—1,255,494,724)		(159,050)	(155,518)
Accumulated other comprehensive income/(loss)		(29,398)	(29,607)
Total IBM stockholders' equity		18,246	14,262
Noncontrolling interests	A	146	162
Total equity		18,392	14,424
Total liabilities and equity		\$117,470	\$110,495

Amounts may not add due to rounding.

The accompanying notes on pages 90 through 154 are an integral part of the financial statements.

Consolidated Statement of Earnings
International Business Machines Corporation and Subsidiary Companies

(\$ in millions except per share amounts)

For the year ended December 31:	Notes	2016	2015	2014
Revenue				
Services		\$51,268	\$49,911	\$55,673
Sales		26,942	29,967	35,063
Financing		1,710	1,864	2,057
Total revenue	T	79,919	81,741	92,793
Cost				
Services		34,021	33,126	36,034
Sales		6,559	6,920	9,312
Financing		1,044	1,011	1,040
Total cost		41,625	41,057	46,386
Gross profit		38,294	40,684	46,407
Expense and other (income)				
Selling, general and administrative		21,069	20,430	23,180
Research, development and engineering	O	5,751	5,247	5,437
Intellectual property and custom development income		(1,631)	(682)	(742)
Other (income) and expense		145	(724)	(1,938)
Interest expense	D&J	630	468	484
Total expense and other (income)		25,964	24,740	26,421
Income from continuing operations before income taxes		12,330	15,945	19,986
Provision for income taxes	N	449	2,581	4,234
Income from continuing operations		11,881	13,364	15,751
Loss from discontinued operations, net of tax	C	(9)	(174)	(3,729)
Net income		\$11,872	\$13,190	\$12,022
Earnings/(loss) per share of common stock				
Assuming dilution				
Continuing operations	P	\$ 12.39	\$ 13.60	\$ 15.59
Discontinued operations	P	(0.01)	(0.18)	(3.69)
Total	P	\$ 12.38	\$ 13.42	\$ 11.90
Basic				
Continuing operations	P	\$ 12.44	\$ 13.66	\$ 15.68
Discontinued operations	P	(0.01)	(0.18)	(3.71)
Total	P	\$ 12.43	\$ 13.48	\$ 11.97
Weighted-average number of common shares outstanding				
Assuming dilution		958,714,097	982,700,267	1,010,000,480
Basic		955,422,530	978,744,523	1,004,272,584

Amounts may not add due to rounding.

The accompanying notes on pages 90 through 154 are an integral part of the financial statements.

Marmon Utility, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Materials	\$ <u>86,293</u>	\$ <u>-</u>
Total	\$ <u>86,293</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) Marmon Utility, LLC provides services to PacifiCorp in the normal course of business at standard pricing.

Marmon Utility, LLC is not a public company, and its financial statements are not available.

**Moody's Investors Service
 Affiliated Transactions
 For the Year Ended December 31, 2016**

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Credit rating services	\$ <u>137,774</u>	\$ <u>-</u>
Total	\$ <u>137,774</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) Moody's Investors Service provides services to PacifiCorp in the normal course of business at standard pricing.

Moody's Investors Service is not a public company, and its financial statements are not available. The financial statements of its parent company, Moody's Corporation, are included. For further information on the following financial statements, refer to Moody's Corporation's Form 10-K for the year ended December 31, 2016 (File No. 1-14037) at www.sec.gov.

MOODY'S CORPORATION
CONSOLIDATED BALANCE SHEETS

(Amounts in millions, except share and per share data)

	December 31,	
	2016	2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,051.5	\$ 1,757.4
Short-term investments	173.4	474.8
Accounts receivable, net of allowances of \$25.7 in 2016 and \$27.5 in 2015	887.4	802.0
Deferred tax assets, net	—	29.3
Other current assets	140.8	179.6
Total current assets	3,253.1	3,243.1
Property and equipment, net	325.9	306.4
Goodwill	1,023.6	976.3
Intangible assets, net	296.4	299.1
Deferred tax assets, net	316.1	137.7
Other assets	112.2	140.4
Total assets	\$ 5,327.3	\$ 5,103.0
LIABILITIES, NONCONTROLLING INTERESTS AND SHAREHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,444.3	\$ 566.6
Deferred tax liabilities, net	—	16.7
Current portion of long-term debt	300.0	—
Deferred revenue	683.9	635.2
Total current liabilities	2,428.2	1,218.5
Non-current portion of deferred revenue	134.1	132.5
Long-term debt	3,063.0	3,380.6
Deferred tax liabilities, net	104.3	83.8
Unrecognized tax benefits	199.8	203.4
Other liabilities	425.2	417.2
Total liabilities	6,354.6	5,436.0
Contingencies (Note 19)	—	—
Shareholders' (deficit) equity:		
Preferred stock, par value \$.01 per share; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Series common stock, par value \$.01 per share; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, par value \$.01 per share; 1,000,000,000 shares authorized; 342,902,272 shares issued at December 31, 2016 and December 31, 2015, respectively.	3.4	3.4
Capital surplus	477.2	451.3
Retained earnings	6,688.9	6,709.0
Treasury stock, at cost; 152,208,231 and 146,826,744 shares of common stock at December 31, 2016 and December 31, 2015, respectively	(8,029.6)	(7,389.2)
Accumulated other comprehensive loss	(364.9)	(339.5)
Total Moody's shareholders' deficit	(1,225.0)	(565.0)
Noncontrolling interests	197.7	232.0
Total shareholders' deficit	(1,027.3)	(333.0)
Total liabilities, noncontrolling interests and shareholders' deficit	\$ 5,327.3	\$ 5,103.0

The accompanying notes are an integral part of the consolidated financial statements.

MOODY'S CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in millions, except per share data)

	Year Ended December 31,		
	2016	2015	2014
Revenue	\$ 3,604.2	\$ 3,484.5	\$ 3,334.3
Expenses			
Operating	1,026.6	976.3	930.3
Selling, general and administrative	936.4	921.3	869.3
Restructuring	12.0	—	—
Depreciation and amortization	126.7	113.5	95.6
Settlement Charge	863.8	—	—
Total expenses	2,965.5	2,011.1	1,895.2
Operating income	638.7	1,473.4	1,439.1
Non-operating (expense) income, net			
Interest expense, net	(137.8)	(115.1)	(116.8)
Other non-operating income, net	57.1	21.3	35.9
ICRA Gain	—	—	102.8
Non-operating (expense) income, net	(80.7)	(93.8)	21.9
Income before provision for income taxes	558.0	1,379.6	1,461.0
Provision for income taxes	282.2	430.0	455.0
Net income	275.8	949.6	1,006.0
Less: Net income attributable to noncontrolling interests	9.2	8.3	17.3
Net income attributable to Moody's	\$ 266.6	\$ 941.3	\$ 988.7
Earnings per share			
Basic	\$ 1.38	\$ 4.70	\$ 4.69
Diluted	\$ 1.36	\$ 4.63	\$ 4.61
Weighted average shares outstanding			
Basic	192.7	200.1	210.7
Diluted	195.4	203.4	214.7

The accompanying notes are an integral part of the consolidated financial statements.

National Indemnity Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Surety bond premium	\$ <u>12,838</u>	\$ <u>-</u>
Total	\$ <u>12,838</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) National Indemnity Company provides services to PacifiCorp in the normal course of business at standard pricing.

National Indemnity Company is not a public company, and its financial statements are not available.

Phillips 66 Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Lubricating oil and grease products	\$ <u>750,859</u>	\$ <u>-</u>
Total	\$ <u>750,859</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) Phillips 66 Company provides services to PacifiCorp in the normal course of business at standard pricing.

Phillips 66 Company is not a public company, and its financial statements are not available. The financial statements of its parent company, Phillips 66, are included. For further information on the following financial statements, refer to Phillips 66's Form 10-K for the year ended December 31, 2016 (File No. 001-35349) at www.sec.gov.

Consolidated Balance Sheet

Phillips 66

At December 31	Millions of Dollars	
	2016	2015
Assets		
Cash and cash equivalents	\$ 2,711	3,074
Accounts and notes receivable (net of allowances of \$34 million in 2016 and \$55 million in 2015)	5,485	4,411
Accounts and notes receivable—related parties	912	762
Inventories	3,150	3,477
Prepaid expenses and other current assets	422	532
Total Current Assets	12,680	12,256
Investments and long-term receivables	13,534	12,143
Net properties, plants and equipment	20,855	19,721
Goodwill	3,270	3,275
Intangibles	888	906
Other assets	426	279
Total Assets	\$ 51,653	48,580
Liabilities		
Accounts payable	\$ 6,395	5,155
Accounts payable—related parties	666	500
Short-term debt	550	44
Accrued income and other taxes	805	878
Employee benefit obligations	527	576
Other accruals	520	378
Total Current Liabilities	9,463	7,531
Long-term debt	9,588	8,843
Asset retirement obligations and accrued environmental costs	655	665
Deferred income taxes	6,743	6,041
Employee benefit obligations	1,216	1,285
Other liabilities and deferred credits	263	277
Total Liabilities	27,928	24,642
Equity		
Common stock (2,500,000,000 shares authorized at \$.01 par value) Issued (2016—641,593,854 shares; 2015—639,336,287 shares)	6	6
Par value	6	6
Capital in excess of par	19,559	19,145
Treasury stock (at cost: 2016—122,827,264 shares; 2015—109,925,907 shares)	(8,788)	(7,746)
Retained earnings	12,608	12,348
Accumulated other comprehensive loss	(995)	(653)
Total Stockholders' Equity	22,390	23,100
Noncontrolling interests	1,335	838
Total Equity	23,725	23,938
Total Liabilities and Equity	\$ 51,653	48,580

See Notes to Consolidated Financial Statements.

Consolidated Statement of Income		Phillips 66		
		Millions of Dollars		
Years Ended December 31		2016	2015	2014
Revenues and Other Income				
Sales and other operating revenues*	\$	84,279	98,975	161,212
Equity in earnings of affiliates		1,414	1,573	2,466
Net gain on dispositions		10	283	295
Other income		74	118	120
Total Revenues and Other Income		85,777	100,949	164,093
Costs and Expenses				
Purchased crude oil and products		62,468	73,399	135,748
Operating expenses		4,275	4,294	4,435
Selling, general and administrative expenses		1,638	1,670	1,663
Depreciation and amortization		1,168	1,078	995
Impairments		5	7	150
Taxes other than income taxes*		13,688	14,077	15,040
Accretion on discounted liabilities		21	21	24
Interest and debt expense		338	310	267
Foreign currency transaction (gains) losses		(15)	49	26
Total Costs and Expenses		83,586	94,905	158,348
Income from continuing operations before income taxes		2,191	6,044	5,745
Provision for income taxes		547	1,764	1,654
Income from Continuing Operations		1,644	4,280	4,091
Income from discontinued operations**		—	—	706
Net income		1,644	4,280	4,797
Less: net income attributable to noncontrolling interests		89	53	35
Net Income Attributable to Phillips 66	\$	1,555	4,227	4,762
Amounts Attributable to Phillips 66 Common Stockholders:				
Income from continuing operations	\$	1,555	4,227	4,056
Income from discontinued operations		—	—	706
Net Income Attributable to Phillips 66	\$	1,555	4,227	4,762
Net Income Attributable to Phillips 66 Per Share of Common Stock (dollars)				
Basic				
Continuing operations	\$	2.94	7.78	7.15
Discontinued operations		—	—	1.25
Net Income Attributable to Phillips 66 Per Share of Common Stock	\$	2.94	7.78	8.40
Diluted				
Continuing operations	\$	2.92	7.73	7.10
Discontinued operations		—	—	1.23
Net Income Attributable to Phillips 66 Per Share of Common Stock	\$	2.92	7.73	8.33
Dividends Paid Per Share of Common Stock (dollars)	\$	2.45	2.18	1.89
Average Common Shares Outstanding (in thousands)				
Basic		527,531	542,355	565,902
Diluted		530,066	546,977	571,504
	\$	13,381	13,780	14,698
	\$	—	—	5

U.S. Bancorp
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Banking services	\$ 528,971	\$ -
Total	<u>\$ 528,971</u>	<u>\$ -</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	(a)	N/A
Assets allocable to the services	(a)	N/A
The overall rate of return on assets	(a)	N/A

(a) U.S. Bancorp provides banking services to PacifiCorp in the normal course of business at standard pricing for certain transactions and at negotiated rates below standard pricing for other certain transactions.

For further information on the following financial statements, refer to U.S. Bancorp's Form 10-K for the year ended December 31, 2016 (File No. 1-6880) at www.sec.gov.

U.S. Bancorp

Consolidated Balance Sheet

At December 31 (Dollars in Millions)

2016

2015

Assets

Cash and due from banks	\$ 15,705	\$ 11,147
Investment securities		
Held-to-maturity (fair value \$42,435 and \$43,493, respectively)	42,991	43,590
Available-for-sale (\$755 and \$1,018 pledged as collateral, respectively) ^(a)	66,284	61,997
Loans held for sale (including \$4,822 and \$3,110 of mortgage loans carried at fair value, respectively)	4,826	3,184
Loans		
Commercial	93,386	88,402
Commercial real estate	43,098	42,137
Residential mortgages	57,274	53,496
Credit card	21,749	21,012
Other retail	53,864	51,206
Total loans, excluding covered loans	269,371	256,253
Covered loans	3,836	4,596
Total loans	273,207	260,849
Less allowance for loan losses	(3,813)	(3,863)
Net loans	269,394	256,986
Premises and equipment	2,443	2,513
Goodwill	9,344	9,361
Other intangible assets	3,303	3,350
Other assets (including \$314 and \$121 of trading securities at fair value pledged as collateral, respectively) ^(a)	31,674	29,725
Total assets	<u>\$445,964</u>	<u>\$421,853</u>

Liabilities and Shareholders' Equity

Deposits		
Noninterest-bearing	\$ 86,097	\$ 83,766
Interest-bearing ^(b)	248,493	216,634
Total deposits	334,590	300,400
Short-term borrowings	13,963	27,877
Long-term debt	33,323	32,078
Other liabilities	16,155	14,681
Total liabilities	398,031	375,036
Shareholders' equity		
Preferred stock	5,501	5,501
Common stock, par value \$0.01 a share — authorized: 4,000,000,000 shares; issued: 2016 and 2015 — 2,125,725,742 shares	21	21
Capital surplus	8,440	8,376
Retained earnings	50,151	46,377
Less cost of common stock in treasury: 2016 — 428,813,585 shares; 2015 — 380,534,801 shares	(15,280)	(13,125)
Accumulated other comprehensive income (loss)	(1,535)	(1,019)
Total U.S. Bancorp shareholders' equity	47,298	46,131
Noncontrolling interests	635	686
Total equity	47,933	46,817
Total liabilities and equity	<u>\$445,964</u>	<u>\$421,853</u>

(a) Includes only collateral pledged by the Company where counterparties have the right to sell or pledge the collateral.

(b) Includes time deposits greater than \$250,000 balances of \$3.0 billion and \$2.6 billion at December 31, 2016 and 2015, respectively.

See Notes to Consolidated Financial Statements.

U.S. Bancorp

Consolidated Statement of Income

Year Ended December 31 (Dollars and Shares in Millions, Except Per Share Data)

	2016	2015	2014
Interest Income			
Loans	\$10,810	\$10,059	\$10,113
Loans held for sale	154	206	128
Investment securities	2,078	2,001	1,866
Other interest income	125	136	121
Total interest income	<u>13,167</u>	<u>12,402</u>	<u>12,228</u>
Interest Expense			
Deposits	622	457	465
Short-term borrowings	263	245	263
Long-term debt	754	699	725
Total interest expense	<u>1,639</u>	<u>1,401</u>	<u>1,453</u>
Net interest income	11,528	11,001	10,775
Provision for credit losses	1,324	1,132	1,229
Net interest income after provision for credit losses	<u>10,204</u>	<u>9,869</u>	<u>9,546</u>
Noninterest Income			
Credit and debit card revenue	1,177	1,070	1,021
Corporate payment products revenue	712	708	724
Merchant processing services	1,592	1,547	1,511
ATM processing services	338	318	321
Trust and investment management fees	1,427	1,321	1,252
Deposit service charges	725	702	693
Treasury management fees	583	561	545
Commercial products revenue	871	867	854
Mortgage banking revenue	979	906	1,009
Investment products fees	158	185	191
Securities gains (losses), net			
Realized gains (losses), net	27	1	11
Total other-than-temporary impairment	(6)	(1)	(7)
Portion of other-than-temporary impairment recognized in other comprehensive income	1	-	(1)
Total securities gains (losses), net	<u>22</u>	<u>-</u>	<u>3</u>
Other	993	907	1,040
Total noninterest income	<u>9,577</u>	<u>9,092</u>	<u>9,164</u>
Noninterest Expense			
Compensation	5,212	4,812	4,523
Employee benefits	1,119	1,167	1,041
Net occupancy and equipment	988	991	987
Professional services	502	423	414
Marketing and business development	435	361	382
Technology and communications	955	887	863
Postage, printing and supplies	311	297	328
Other intangibles	179	174	199
Other	1,975	1,819	1,978
Total noninterest expense	<u>11,676</u>	<u>10,931</u>	<u>10,715</u>
Income before income taxes	8,105	8,030	7,995
Applicable income taxes	2,161	2,097	2,087
Net income	5,944	5,933	5,908
Net (income) loss attributable to noncontrolling interests	(56)	(54)	(57)
Net income attributable to U.S. Bancorp	<u>\$ 5,888</u>	<u>\$ 5,879</u>	<u>\$ 5,851</u>
Net income applicable to U.S. Bancorp common shareholders	<u>\$ 5,589</u>	<u>\$ 5,608</u>	<u>\$ 5,583</u>
Earnings per common share	\$ 3.25	\$ 3.18	\$ 3.10
Diluted earnings per common share	\$ 3.24	\$ 3.16	\$ 3.08
Dividends declared per common share	\$ 1.070	\$ 1.010	\$.965
Average common shares outstanding	1,718	1,764	1,803
Average diluted common shares outstanding	<u>1,724</u>	<u>1,772</u>	<u>1,813</u>

See Notes to Consolidated Financial Statements.

Wells Fargo & Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Banking services	\$ 1,128,022	\$ -
Financial transactions related to energy hedging activity ^(a)	<u>135,650</u>	<u>-</u>
Total	<u>\$ 1,263,672</u>	<u>\$ -</u>
Basis of pricing	(b)	N/A
Cost of service	(b)	N/A
The margin of charges over costs	(b)	N/A
Assets allocable to the services	(b)	N/A
The overall rate of return on assets	(b)	N/A

- (a) Represents the financial impact realized on natural gas swaps during the year ended December 31, 2016. In conjunction with these swap arrangements, PacifiCorp had no collateral at Wells Fargo at December 31, 2016. Please refer to further discussion below.
- (b) Wells Fargo & Company provides financial services to PacifiCorp in the normal course of business at standard pricing for certain transactions and at negotiated rates below standard pricing for other certain transactions.

The costs incurred with Wells Fargo & Company for the natural gas swaps included above are only one component of PacifiCorp's overall risk management process, which is designed to identify, assess, monitor, report, manage and mitigate each of the various types of risk involved in PacifiCorp's business, including commodity risk. PacifiCorp manages certain risks, including price risk, relating to its supply of electricity and fuel requirements by entering into various contracts, which may be accounted for as derivatives and may include forwards, options, swaps and other agreements. PacifiCorp's energy costs are subject to numerous operational and economic factors such as planned and unplanned outages, fuel commodity prices, fuel transportation costs, weather, environmental considerations, transmission constraints, and wholesale market prices of electricity. For further information regarding PacifiCorp's risk management process and hedging activities, including its use of commodity derivative contracts, please refer to PacifiCorp's Annual Report on Form 10-K for the year ended December 31, 2016.

For further information on the following financial statements, refer to Wells Fargo & Company's Form 10-K for the year ended December 31, 2016 (File No. 001-2979) at www.sec.gov.

Financial Statements

Wells Fargo & Company and Subsidiaries

Consolidated Statement of Income

(in millions, except per share amounts)	Year ended December 31,		
	2016	2015	2014
Interest income			
Trading assets	\$ 2,506	1,971	1,685
Investment securities	9,248	8,937	8,438
Mortgages held for sale	784	785	767
Loans held for sale	9	19	78
Loans	39,505	36,575	35,652
Other interest income	1,611	990	932
Total interest income	53,663	49,277	47,552
Interest expense			
Deposits	1,395	963	1,096
Short-term borrowings	330	64	59
Long-term debt	3,830	2,592	2,488
Other interest expense	354	357	382
Total interest expense	5,909	3,976	4,025
Net interest income	47,754	45,301	43,527
Provision for credit losses	3,770	2,442	1,395
Net interest income after provision for credit losses	43,984	42,859	42,132
Noninterest income			
Service charges on deposit accounts	5,372	5,168	5,050
Trust and investment fees	14,243	14,468	14,280
Card fees	3,936	3,720	3,431
Other fees	3,727	4,324	4,349
Mortgage banking	6,096	6,501	6,381
Insurance	1,268	1,694	1,655
Net gains from trading activities	834	614	1,161
Net gains on debt securities (1)	942	952	593
Net gains from equity investments (2)	879	2,230	2,380
Lease income	1,927	621	526
Other	1,289	464	1,014
Total noninterest income	40,513	40,756	40,820
Noninterest expense			
Salaries	16,552	15,883	15,375
Commission and incentive compensation	10,247	10,352	9,970
Employee benefits	5,094	4,446	4,597
Equipment	2,154	2,063	1,973
Net occupancy	2,855	2,886	2,925
Core deposit and other intangibles	1,192	1,246	1,370
FDIC and other deposit assessments	1,168	973	928
Other	13,115	12,125	11,899
Total noninterest expense	52,377	49,974	49,037
Income before income tax expense	32,120	33,641	33,915
Income tax expense	10,075	10,365	10,307
Net income before noncontrolling interests	22,045	23,276	23,608
Less: Net income from noncontrolling interests	107	382	551
Wells Fargo net income	\$ 21,938	22,894	23,057
Less: Preferred stock dividends and other	1,565	1,424	1,236
Wells Fargo net income applicable to common stock	\$ 20,373	21,470	21,821
Per share information			
Earnings per common share	\$ 4.03	4.18	4.17
Diluted earnings per common share	3.99	4.12	4.10
Dividends declared per common share	1.515	1.475	1.350
Average common shares outstanding	5,052.8	5,136.5	5,237.2
Diluted average common shares outstanding	5,108.3	5,209.8	5,324.4

- (1) Total other-than-temporary impairment (OTTI) losses were \$207 million, \$136 million and \$18 million for the years ended December 31, 2016, 2015 and 2014, respectively. Of total OTTI, losses of \$189 million, \$183 million and \$49 million were recognized in earnings, and losses (reversal of losses) of \$18 million, \$(47) million and \$(31) million were recognized as non-credit-related OTTI in other comprehensive income for the years ended December 31, 2016, 2015 and 2014, respectively.
- (2) Includes OTTI losses of \$453 million, \$376 million and \$273 million for the years ended December 31, 2016, 2015 and 2014, respectively.

The accompanying notes are an integral part of these statements.

Wells Fargo & Company and Subsidiaries

Consolidated Balance Sheet

(in millions, except shares)	Dec 31, 2016	Dec 31, 2015
Assets		
Cash and due from banks	\$ 20,729	19,111
Federal funds sold, securities purchased under resale agreements and other short-term investments	266,038	270,130
Trading assets (1)	74,397	64,815
Investment securities:		
Available-for-sale, at fair value	308,364	267,358
Held-to-maturity, at cost (fair value \$99,155 and \$80,567)	99,583	80,197
Mortgages held for sale (includes \$22,042 and \$13,539 carried at fair value) (2)	26,309	19,603
Loans held for sale	80	279
Loans (includes \$758 and \$5,316 carried at fair value) (2)	967,604	916,559
Allowance for loan losses	(11,419)	(11,545)
Net loans	956,185	905,014
Mortgage servicing rights:		
Measured at fair value	12,959	12,415
Amortized	1,406	1,308
Premises and equipment, net	8,333	8,704
Goodwill	26,693	25,529
Derivative assets	14,498	17,656
Other assets (includes \$3,275 and \$3,065 carried at fair value) (1) (2)	114,541	95,513
Total assets (3)	\$ 1,930,115	1,787,632
Liabilities		
Noninterest-bearing deposits	\$ 375,967	351,579
Interest-bearing deposits	930,112	871,733
Total deposits	1,306,079	1,223,312
Short-term borrowings	96,781	97,528
Derivative liabilities	14,492	13,920
Accrued expenses and other liabilities (1)	57,189	59,445
Long-term debt	255,077	199,536
Total liabilities (4)	1,729,618	1,593,741
Equity		
Wells Fargo stockholders' equity:		
Preferred stock	24,551	22,214
Common stock – \$1-2/3 par value, authorized 9,000,000,000 shares; issued 5,481,811,474 shares	9,136	9,136
Additional paid-in capital	60,234	60,714
Retained earnings	133,075	120,866
Cumulative other comprehensive income (loss)	(3,137)	297
Treasury stock – 465,702,148 shares and 389,682,664 shares	(22,713)	(18,867)
Unearned ESOP shares	(1,565)	(1,362)
Total Wells Fargo stockholders' equity	199,581	192,998
Noncontrolling interests	916	893
Total equity	200,497	193,891
Total liabilities and equity	\$ 1,930,115	1,787,632

- (1) Prior period has been revised to conform to the current period presentation of reporting derivative assets and liabilities separately. See Note 1 (Summary of Significant Accounting Policies) for more information.
- (2) Parenthetical amounts represent assets and liabilities for which we have elected the fair value option.
- (3) Our consolidated assets at December 31, 2016 and 2015, include the following assets of certain variable interest entities (VIEs) that can only be used to settle the liabilities of those VIEs: Cash and due from banks, \$168 million and \$157 million; Federal funds sold, securities purchased under resale agreements and other short-term investments, \$74 million and \$0 million; Trading assets, \$130 million and \$0 million; Investment securities, \$0 million and \$425 million; Net loans, \$12.6 billion and \$4.8 billion; Derivative assets, \$1 million and \$1 million; Other assets, \$452 million and \$242 million; and Total assets, \$13.4 billion and \$5.6 billion, respectively.
- (4) Our consolidated liabilities at December 31, 2016 and 2015, include the following VIE liabilities for which the VIE creditors do not have recourse to Wells Fargo: Derivative liabilities, \$33 million and \$47 million; Accrued expenses and other liabilities, \$107 million and \$10 million; Long-term debt, \$3.7 billion and \$1.3 billion; and Total liabilities, \$3.8 billion and \$1.4 billion, respectively.

The accompanying notes are an integral part of these statements.

Berkshire Hathaway Energy Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ 5,820,689	\$ 92,471
Total	<u>\$ 5,820,869</u>	<u>\$ 92,471</u>
Basis of pricing	(a)	(a)
Cost of service	(a)	(a)
The margin of charges over costs	None	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

PacifiCorp is party to an income tax-sharing arrangement and is part of the Berkshire Hathaway Inc. United States federal income tax return. For certain state income taxes, PacifiCorp is part of Berkshire Hathaway Energy Company (“BHE”) combined or consolidated state income tax returns. PacifiCorp’s provision for income taxes has been computed on a stand-alone basis. PacifiCorp remits federal and certain state income tax payments to PPW Holdings, LLC. PPW Holdings, LLC then remits income tax payments to BHE, and BHE remits any federal income tax payments to Berkshire Hathaway Inc. At December 31, 2016, PPW Holdings, LLC owed PacifiCorp \$19,047,363 and Pacific Minerals, Inc. owed PPW Holdings, LLC \$2,305,930 under this arrangement.

For further information on the following financial statements, refer to Berkshire Hathaway Energy Company’s Form 10-K for the year ended December 31, 2016 (File No. 001-14881) at www.sec.gov. PacifiCorp is included in the following financial statements as a consolidated subsidiary of BHE.

BERKSHIRE HATHAWAY ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions)

	As of December 31,	
	2016	2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 721	\$ 1,108
Trade receivables, net	1,751	1,785
Income taxes receivable	—	319
Inventories	925	882
Mortgage loans held for sale	359	335
Other current assets	917	814
Total current assets	4,673	5,243
Property, plant and equipment, net	62,509	60,769
Goodwill	9,010	9,076
Regulatory assets	4,307	4,155
Investments and restricted cash and investments	3,945	3,367
Other assets	996	1,008
Total assets	\$ 85,440	\$ 83,618

The accompanying notes are an integral part of these consolidated financial statements.

BERKSHIRE HATHAWAY ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (continued)
(Amounts in millions)

	As of December 31,	
	2016	2015
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 1,317	\$ 1,564
Accrued interest	454	469
Accrued property, income and other taxes	389	372
Accrued employee expenses	261	264
Regulatory liabilities	187	402
Short-term debt	1,869	974
Current portion of long-term debt	1,006	1,148
Other current liabilities	830	896
Total current liabilities	6,313	6,089
Regulatory liabilities	2,933	2,631
BHE senior debt	7,418	7,814
BHE junior subordinated debentures	944	2,944
Subsidiary debt	26,748	26,066
Deferred income taxes	13,879	12,685
Other long-term liabilities	2,742	2,854
Total liabilities	60,977	61,083
Commitments and contingencies (Note 16)		
Equity:		
BHE shareholders' equity:		
Common stock - 115 shares authorized, no par value, 77 shares issued and outstanding	—	—
Additional paid-in capital	6,390	6,403
Retained earnings	19,448	16,906
Accumulated other comprehensive loss, net	(1,511)	(908)
Total BHE shareholders' equity	24,327	22,401
Noncontrolling interests	136	134
Total equity	24,463	22,535
Total liabilities and equity	\$ 85,440	\$ 83,618

The accompanying notes are an integral part of these consolidated financial statements.

BERKSHIRE HATHAWAY ENERGY COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in millions)

	Years Ended December 31,		
	2016	2015	2014
Operating revenue:			
Energy	\$ 14,621	\$ 15,354	\$ 15,182
Real estate	2,801	2,526	2,144
Total operating revenue	<u>17,422</u>	<u>17,880</u>	<u>17,326</u>
Operating costs and expenses:			
Energy:			
Cost of sales	4,315	5,079	5,732
Operating expense	3,707	3,732	3,501
Depreciation and amortization	2,560	2,399	2,028
Real estate	2,589	2,342	2,019
Total operating costs and expenses	<u>13,171</u>	<u>13,552</u>	<u>13,280</u>
Operating income	<u>4,251</u>	<u>4,328</u>	<u>4,046</u>
Other income (expense):			
Interest expense	(1,854)	(1,904)	(1,711)
Capitalized interest	139	74	89
Allowance for equity funds	158	91	98
Interest and dividend income	120	107	38
Other, net	36	39	42
Total other income (expense)	<u>(1,401)</u>	<u>(1,593)</u>	<u>(1,444)</u>
Income before income tax expense and equity income	2,850	2,735	2,602
Income tax expense	403	450	589
Equity income	123	115	109
Net income	<u>2,570</u>	<u>2,400</u>	<u>2,122</u>
Net income attributable to noncontrolling interests	28	30	27
Net income attributable to BHE shareholders	<u>\$ 2,542</u>	<u>\$ 2,370</u>	<u>\$ 2,095</u>

The accompanying notes are an integral part of these consolidated financial statements.

BHE AltaLink Ltd.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ _____ -	\$ _____ 36,413
Total	<u>\$ _____ -</u>	<u>\$ _____ 36,413</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of BHE AltaLink Ltd.

Metalogic Inspection Services Inc.
Affiliated Transactions
For the Period from January 1, 2016 to September 30, 2016 ^(a)

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ _____ -	\$ _____ 260
Total	<u>\$ _____ -</u>	<u>\$ _____ 260</u>
Basis of pricing	N/A	(b)
Cost of service	N/A	(b)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Metalogic Inspection Services Inc. (“Metalogic”) is an Alberta, Canada, corporation which was an indirect wholly owned subsidiary of BHE when BHE sold Metalogic on September 30, 2016, and it ceased being an affiliate of PacifiCorp. Accordingly, this report reflects transactions between PacifiCorp and Metalogic that occurred between January 1, 2016 and September 30, 2016.

(b) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Metalogic is not a public company, and its financial statements are not available.

Metalogic Inspection Services, LLC
Affiliated Transactions
For the Period from January 1, 2016 to September 30, 2016 ^(a)

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Inspection services and equipment	\$ <u>82,986</u>	\$ <u>-</u>
Total	\$ <u>82,986</u>	\$ <u>-</u>
Basis of pricing	(b)	N/A
Cost of service	(b)	N/A
The margin of charges over costs	(b)	N/A
Assets allocable to the services	(b)	N/A
The overall rate of return on assets	(b)	N/A

(a) Metalogic Inspection Services, LLC (“Metalogic LLC”) is a wholly owned subsidiary of Metalogic Inspection Services, Inc (“Metalogic”). On September 30, 2016, BHE sold Metalogic and Metalogic LLC ceased being an affiliate of PacifiCorp. Accordingly, this report reflects transactions between PacifiCorp and Metalogic LLC that occurred between January 1, 2016 and September 30, 2016.

(b) Metalogic LLC provides services to PacifiCorp in the normal course of business at standard pricing.

Metalogic LLC is not a public company, and its financial statements are not available.

BHE Renewables, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u>8,040</u>	\$ <u>82,627</u>
Total	\$ <u>8,040</u>	\$ <u>82,627</u>
Basis of pricing	(a)	(a)
Cost of service	(a)	(a)
The margin of charges over costs	None	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the parent company of BHE Renewables, LLC.

CalEnergy Generation Operating Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 44,455</u>
Total	\$ <u> -</u>	\$ <u> 44,455</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of CalEnergy Generation Operating Company.

Cordova Energy Company, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 22</u>
Total	<u>\$ <u> -</u></u>	<u>\$ <u> 22</u></u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of Cordova Energy Company, LLC.

Imperial Magma LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ _____ -	\$ _____ 1,249
Total	<u>\$ _____ -</u>	<u>\$ _____ 1,249</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of Imperial Magma LLC.

TX Jumbo Road Wind, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 122</u>
Total	<u>\$ <u> -</u></u>	<u>\$ <u> 122</u></u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of TX Jumbo Road Wind, LLC.

Walnut Ridge Wind, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 2,999</u>
Total	\$ <u> -</u>	\$ <u> 2,999</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of Walnut Ridge Wind, LLC.

BHE U.S. Transmission, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u>15,521</u>	\$ <u>1,496,460</u>
Total	\$ <u>15,521</u>	\$ <u>1,496,460</u>
Basis of pricing	(a)	(a)
Cost of service	(a)	(a)
The margin of charges over costs	None	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the parent company of BHE U.S. Transmission, LLC.

BHE Midcontinent Transmission Holdings, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 41,358</u>
Total	\$ <u> -</u>	\$ <u> 41,358</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of BHE Midcontinent Transmission Holdings, LLC.

BHE Southwest Transmission Holdings, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 37,039</u>
Total	\$ <u> -</u>	\$ <u> 37,039</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of BHE Southwest Transmission Holdings, LLC.

Electric Transmission America, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 1,736</u>
Total	\$ <u> -</u>	\$ <u> 1,736</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Electric Transmission America, LLC is not a consolidated subsidiary of Berkshire Hathaway Energy Company nor is it a public company. Accordingly, its financial statements are not available.

Electric Transmission Texas, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 153,422</u>
Total	<u>\$ <u> -</u></u>	<u>\$ <u> 153,422</u></u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Electric Transmission Texas, LLC is not a consolidated subsidiary of Berkshire Hathaway Energy Company nor is it a public company. Accordingly, its financial statements are not available.

MidAmerican Central California Transco, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ -	\$ 230,156
Total	<u>\$ -</u>	<u>\$ 230,156</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of MidAmerican Central California Transco, LLC.

MTL Canyon Holdings, LLC
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ -	\$ 419,828
Total	<u>\$ -</u>	<u>\$ 419,828</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of MTL Canyon Holdings, LLC.

**CalEnergy Philippines
 Affiliated Transactions
 For the Year Ended December 31, 2016**

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 1,503</u>
Total	\$ <u> -</u>	\$ <u> 1,503</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the parent company of CalEnergy Philippines.

HomeServices of America, Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Employee relocation services	\$ 1,412,541	\$ -
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	<u>-</u>	<u>182,064</u>
Total	<u>\$ 1,412,541</u>	<u>\$ 182,064</u>

Basis of pricing	(a)	(b)
Cost of service	(a)	(b)
The margin of charges over costs	(a)	None
Assets allocable to the services	(a)	None
The overall rate of return on assets	(a)	None

(a) HomeServices of America, Inc. (“HomeServices”) charges PacifiCorp a flat fee of \$350 per relocation and \$600 per missed referral for its services, plus the actual costs of services procured from its vendors and service providers.

(b) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Excluded from the table above are services provided by HomeServices of America, Inc. to Bridger Coal Company in the amount of \$388,670.

Refer to the financial statements of Berkshire Hathaway Energy Company, the parent company of HomeServices of America, Inc.

Iowa Realty Co., Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 6,876</u>
Total	\$ <u> -</u>	\$ <u> 6,876</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of Iowa Realty Co., Inc.

Kern River Gas Transmission Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Natural gas transportation services ^(a)	\$ 3,084,724	\$ -
Lease of temporary construction workspace ^(b)	306,254	-
Administrative services under the Intercompany Administrative Services Agreement (“IASA”) ^(c)	<u>9,280</u>	<u>87,837</u>
Total	<u>\$ 3,400,258</u>	<u>\$ 87,837</u>

Basis of pricing	(a), (c)	(b), (c)
Cost of service	(a), (c)	(b), (c)
The margin of charges over costs	None, (a)	None, (b)
Assets allocable to the services	None, (a)	None, (b)
The overall rate of return on assets	None, (a)	None, (b)

(a) Natural gas transportation services are priced at a tariff rate on file with the Federal Energy Regulatory Commission (“FERC”), or as priced in a negotiated rate transportation service agreement filed with and approved by the FERC.

(b) The lease of temporary construction workspace was priced based on fair market value of the property.

(c) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

**KR Holding, LLC Consolidated
Balance Sheets
December 2016**
(In thousands)

	<u>December</u> <u>2016</u>
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 30,782
Restricted cash and short-term investments	1,558
Receivables, net	22,578
Amounts due from affiliates	6,181
Inventories	10,615
Derivative contracts	558
Income taxes receivable	-
Regulatory assets	877
Other current assets	<u>2,873</u>
Total current assets	<u>76,022</u>
Property, plant and equipment:	
Property, plant and equipment	2,868,888
Accumulated depreciation and amortization	(1,261,577)
Construction in progress	<u>2,434</u>
Total property, plant and equipment, net	<u>1,609,746</u>
Other assets:	
Goodwill	33,900
Regulatory assets	28,998
Other investments	1,003
Restricted cash and investments	20,069
Deferred charges and other assets	<u>6,921</u>
Total other assets	<u>90,891</u>
Total assets	<u>\$ 1,776,659</u>

<u>Liabilities and Equity</u>	
Current liabilities:	
Accounts payable	\$ 3,874
Amounts due to affiliates	607
Accrued interest	854
Accrued property, income and other taxes	5,935
Accrued employee expenses	1,353
Derivative contracts	-
Regulatory liabilities	48
Other current liabilities	4,237
Current portion of long-term debt	<u>66,392</u>
Total current liabilities	83,300
Regulatory liabilities	283,601
Subsidiary long-term debt	128,953
Deferred income taxes	400,571
Other long-term accrued liabilities	<u>21,364</u>
Total liabilities	<u>917,789</u>
Equity:	
Common stock	-
Additional paid-in capital	1,056,824
Retained earnings	(198,297)
Accumulated other comprehensive income (loss), net	<u>343</u>
Total common shareholder's equity	<u>858,870</u>
Total equity	<u>858,870</u>
Total liabilities and equity	<u>\$ 1,776,659</u>

<u>Retained Earnings Summary</u>	
Beginning retained earnings	\$ (131,700)
Net income (loss)	90,135
Dividends paid	(156,731)
Ending retained earnings	<u>\$ (198,297)</u>

**KR Holding, LLC Consolidated
Statement of Operations
For the period ended December 2016
(In thousands)**

Operating revenue \$ 341,807

Operating expenses:

Operations, maintenance, administration and general	38,334
Depreciation and amortization	132,111
Property and other taxes	<u>13,114</u>
Total operating expenses	<u>183,559</u>

Operating income (loss) 158,248

Other income (expense):

Interest expense	(11,351)
Capitalized interest	73
Allowance for equity funds	603
Interest and dividend income	62
Other, net	<u>(1,122)</u>
Total other income (expense)	<u>(11,736)</u>

Income (loss) before income tax 146,512

Income tax expense (benefit) 56,377

Net income (loss) \$ 90,135

MHC Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u>126,469</u>	\$ <u>-</u>
Total	\$ <u>126,469</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	None	N/A
Assets allocable to the services	None	N/A
The overall rate of return on assets	None	N/A

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

For further information on the following financial statements, refer to MidAmerican Funding, LLC’s Form 10-K for the year ended December 31, 2016 (File No. 333-90553) at www.sec.gov.

MHC INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions)

	As of December 31,	
	2016	2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 15	\$ 103
Receivables, net	284	343
Income taxes receivable	9	104
Inventories	264	238
Other current assets	35	58
Total current assets	607	846
Property, plant and equipment, net	12,835	11,737
Goodwill	1,270	1,270
Regulatory assets	1,161	1,044
Investments and restricted cash and investments	655	636
Receivable from affiliate	301	288
Other assets	216	138
Total assets	\$ 17,045	\$ 15,959

The accompanying notes are an integral part of these consolidated financial statements.

MHC INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (continued)
(Amounts in millions)

	As of December 31,	
	2016	2015
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	\$ 302	\$ 426
Accrued interest	45	46
Accrued property, income and other taxes	138	125
Note payable to affiliate	31	139
Short-term debt	99	—
Current portion of long-term debt	250	34
Other current liabilities	159	166
Total current liabilities	1,024	936
Long-term debt	4,051	4,237
Deferred income taxes	3,568	3,056
Regulatory liabilities	883	831
Asset retirement obligations	510	488
Other long-term liabilities	291	267
Total liabilities	10,327	9,815
Commitments and contingencies (Note 15)		
Shareholder's equity:		
Common stock - no par value, 1,000 shares authorized, 1,000 shares issued and outstanding	—	—
Additional paid-in capital	2,430	2,430
Retained earnings	4,288	3,744
Accumulated other comprehensive loss, net	—	(30)
Total shareholder's equity	6,718	6,144
Total liabilities and shareholder's equity	\$ 17,045	\$ 15,959

The accompanying notes are an integral part of these consolidated financial statements.

MHC INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in millions)

	Years Ended December 31,		
	2016	2015	2014
Operating revenue:			
Regulated electric	\$ 1,985	\$ 1,837	\$ 1,817
Regulated gas and other	646	678	1,027
Total operating revenue	<u>2,631</u>	<u>2,515</u>	<u>2,844</u>
Operating costs and expenses:			
Cost of fuel, energy and capacity	410	433	532
Cost of gas sold and other	371	407	738
Operations and maintenance	693	707	720
Depreciation and amortization	479	407	351
Property and other taxes	112	110	108
Total operating costs and expenses	<u>2,065</u>	<u>2,064</u>	<u>2,449</u>
Operating income	<u>566</u>	<u>451</u>	<u>395</u>
Other income and (expense):			
Interest expense	(196)	(184)	(175)
Allowance for borrowed funds	8	8	16
Allowance for equity funds	19	20	39
Other, net	18	20	18
Total other income and (expense)	<u>(151)</u>	<u>(136)</u>	<u>(102)</u>
Income before income tax benefit	415	315	293
Income tax benefit	<u>(130)</u>	<u>(141)</u>	<u>(113)</u>
Income from continuing operations	545	456	406
Discontinued operations (Note 3):			
Income from discontinued operations	—	22	28
Income tax expense	—	6	12
Income on discontinued operations	<u>—</u>	<u>16</u>	<u>16</u>
Net income	<u>\$ 545</u>	<u>\$ 472</u>	<u>\$ 422</u>

The accompanying notes are an integral part of these consolidated financial statements.

MEC Construction Services Co.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 8,850</u>
Total	<u>\$ <u> -</u></u>	<u>\$ <u> 8,850</u></u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MHC Inc., the parent company of MEC Construction Services Co.

MidAmerican Energy Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”) ^(a)	\$ <u>3,199,195</u>	\$ <u>927,942</u>
Total	\$ <u>3,199,195</u>	\$ <u>927,942</u>
Basis of pricing	(b)	(b)
Cost of service	(b)	(b)
The margin of charges over costs	None	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) PacifiCorp received services includes \$3,390 of amounts that were ultimately reimbursed by joint owners of PacifiCorp’s generating facilities.

(b) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

The following items are excluded from the table above:

- Services provided by MidAmerican Energy Company to Bridger Coal Company in the amount of \$463.

For further information on the following financial statements, refer to MidAmerican Energy Company’s Form 10-K for the year ended December 31, 2016 (File No. 333-15387) at www.sec.gov.

MIDAMERICAN ENERGY COMPANY
BALANCE SHEETS
(Amounts in millions)

	As of December 31,	
	2016	2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 14	\$ 103
Receivables, net	285	342
Income taxes receivable	9	104
Inventories	264	238
Other current assets	35	58
Total current assets	607	845
Property, plant and equipment, net	12,821	11,723
Regulatory assets	1,161	1,044
Investments and restricted cash and investments	653	634
Other assets	217	139
Total assets	\$ 15,459	\$ 14,385

The accompanying notes are an integral part of these financial statements.

MIDAMERICAN ENERGY COMPANY
BALANCE SHEETS (continued)
(Amounts in millions)

	As of December 31,	
	2016	2015
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	\$ 303	\$ 426
Accrued interest	45	46
Accrued property, income and other taxes	137	125
Short-term debt	99	—
Current portion of long-term debt	250	34
Other current liabilities	159	166
Total current liabilities	993	797
Long-term debt	4,051	4,237
Deferred income taxes	3,572	3,061
Regulatory liabilities	883	831
Asset retirement obligations	510	488
Other long-term liabilities	290	266
Total liabilities	10,299	9,680
Commitments and contingencies (Note 15)		
Shareholder's equity:		
Common stock - 350 shares authorized, no par value, 71 shares issued and outstanding	—	—
Additional paid-in capital	561	561
Retained earnings	4,599	4,174
Accumulated other comprehensive loss, net	—	(30)
Total shareholder's equity	5,160	4,705
Total liabilities and shareholder's equity	\$ 15,459	\$ 14,385

The accompanying notes are an integral part of these financial statements.

MIDAMERICAN ENERGY COMPANY
STATEMENTS OF OPERATIONS
(Amounts in millions)

	Years Ended December 31,		
	2016	2015	2014
Operating revenue:			
Regulated electric	\$ 1,985	\$ 1,837	\$ 1,817
Regulated gas and other	640	665	1,005
Total operating revenue	<u>2,625</u>	<u>2,502</u>	<u>2,822</u>
Operating costs and expenses:			
Cost of fuel, energy and capacity	409	433	532
Cost of gas sold and other	367	398	720
Operations and maintenance	693	705	717
Depreciation and amortization	479	407	351
Property and other taxes	112	110	108
Total operating costs and expenses	<u>2,060</u>	<u>2,053</u>	<u>2,428</u>
Operating income	<u>565</u>	<u>449</u>	<u>394</u>
Other income and (expense):			
Interest expense	(196)	(183)	(174)
Allowance for borrowed funds	8	8	16
Allowance for equity funds	19	20	39
Other, net	14	5	10
Total other income and (expense)	<u>(155)</u>	<u>(150)</u>	<u>(109)</u>
Income before income tax benefit	410	299	285
Income tax benefit	(132)	(147)	(116)
Income from continuing operations	542	446	401
Discontinued operations (Note 3):			
Income from discontinued operations	—	22	28
Income tax expense	—	6	12
Income on discontinued operations	<u>—</u>	<u>16</u>	<u>16</u>
Net income	<u>\$ 542</u>	<u>\$ 462</u>	<u>\$ 417</u>

The accompanying notes are an integral part of these financial statements.

Midwest Capital Group, Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 451</u>
Total	<u>\$ <u> -</u></u>	<u>\$ <u> 451</u></u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of MHC Inc., the parent company of Midwest Capital Group, Inc.

Northern Natural Gas Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u>26,008</u>	\$ <u>182,555</u>
Total	\$ <u>26,008</u>	\$ <u>182,555</u>
Basis of pricing	(a)	(a)
Cost of service	(a)	(a)
The margin of charges over costs	None	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

For further information on the following financial statements, refer to the Northern Natural Gas Company Financial Statements for the year ended December 31, 2016 at www.berkshirehathawayenergyco.com.

Northern Natural Gas Company
Balance Sheets
(Amounts in thousands, except share data)

	As of December 31,	
	2016	2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 48,398	\$ 27,523
Accounts receivable, net	75,147	65,380
Accounts receivable from affiliates	8,708	7,989
Notes receivable from BHE	155,000	155,000
Transportation and exchange gas receivables	12,028	4,813
Inventories	28,314	26,840
Income tax receivable	—	43,508
Other current assets	10,057	9,764
Total current assets	337,652	340,817
Property, plant and equipment, net	2,812,523	2,680,579
Regulatory assets	150,436	161,336
Other assets	40,969	41,060
Total assets	\$ 3,341,580	\$ 3,223,792
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	\$ 44,312	\$ 30,736
Accounts payable to affiliates	1,253	967
Accrued interest	12,260	12,260
Accrued property, income and other taxes	55,501	50,484
Transportation and exchange gas payables	10,630	3,669
Derivative contracts	14,025	11,823
Other current liabilities	35,446	29,611
Total current liabilities	173,427	139,550
Regulatory liabilities	25,393	24,202
Derivative contracts	50,507	62,660
Asset retirement obligations	32,676	30,994
Long-term debt	795,478	795,024
Deferred income taxes	832,758	739,717
Other long-term liabilities	21,923	21,606
Total liabilities	1,932,162	1,813,753
Commitments and contingencies (Notes 9 and 12)		
Shareholder's equity:		
Series A preferred stock - 1,000 shares authorized, \$0.01 par value, no shares issued and outstanding	—	—
Common stock - 10,000 shares authorized, \$1.00 par value, 1,002 shares issued and outstanding	1	1
Additional paid-in capital	981,868	981,868
Retained earnings	427,549	428,170
Total shareholder's equity	1,409,418	1,410,039
Total liabilities and shareholder's equity	\$ 3,341,580	\$ 3,223,792

The accompanying notes are an integral part of these financial statements.

Northern Natural Gas Company
Statements of Income
(Amounts in thousands)

	Years Ended December 31,	
	2016	2015
Operating revenue:		
Transportation	\$ 556,768	\$ 557,969
Storage	68,701	61,771
Gas, liquids and other sales	10,950	35,831
Total operating revenue	636,419	655,571
Operating costs and expenses:		
Operating and maintenance	196,499	193,464
Cost of gas and liquids sales	16,577	39,009
Depreciation and amortization	74,360	70,201
Taxes, other than income taxes	52,342	55,434
Total operating costs and expenses	339,778	358,108
Operating income	296,641	297,463
Other income (expense):		
Interest expense, net	(38,721)	(40,269)
Interest income	1,779	1,208
Other, net	6,423	7,875
Total other income (expense)	(30,519)	(31,186)
Income before income tax expense	266,122	266,277
Income tax expense	106,743	105,824
Net income	\$ 159,379	\$ 160,453

The accompanying notes are an integral part of these financial statements.

Northern Powergrid Holdings Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 36,902</u>
Total	\$ <u> -</u>	\$ <u> 36,902</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of Northern Powergrid Holdings Company.

NV Energy, Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u>364,975</u>	\$ <u>136,652</u>
Total	\$ <u>364,975</u>	\$ <u>136,652</u>
Basis of pricing	(a)	(a)
Cost of service	(a)	(a)
The margin of charges over costs	None	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

For further information on the following financial statements, refer to the NV Energy, Inc. and Subsidiaries Consolidated Financial Statements (Unaudited) for the year ended December 31, 2016 at www.berkshirehathawayenergyco.com.

NV ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Unaudited)
(Amounts in millions, except share data)

		As of December 31,	
		2016	2015
ASSETS			
Current assets:			
Cash and cash equivalents	\$	330	\$ 634
Accounts receivable, net		293	363
Inventories		118	119
Regulatory assets		45	—
Other current assets		51	59
Total current assets		837	1,175
Property, plant and equipment, net		9,819	9,762
Regulatory assets		1,410	1,487
Other assets		64	54
		\$ 12,130	\$ 12,478
LIABILITIES AND SHAREHOLDER'S EQUITY			
Current liabilities:			
Accounts payable	\$	234	\$ 270
Accrued interest		66	71
Accrued property, income and other taxes		35	43
Regulatory liabilities		106	251
Current portion of long-term debt and financial and capital lease obligations		18	678
Customer deposits		95	75
Other current liabilities		50	39
Total current liabilities		604	1,427
NV Energy long-term debt		313	313
Subsidiary long-term debt and financial and capital lease obligations		4,201	3,809
Regulatory liabilities		637	534
Deferred income taxes		2,035	1,852
Other long-term liabilities		405	449
Total liabilities		8,195	8,384
Commitments and contingencies (Note 14)			
Shareholder's equity:			
Common stock - 1,000 shares authorized, \$0.01 par value, 1 share issued and outstanding		—	—
Other paid-in capital		3,128	3,128
Retained earnings		811	970
Accumulated other comprehensive loss, net		(4)	(4)
Total shareholder's equity		3,935	4,094
Total liabilities and shareholder's equity		\$ 12,130	\$ 12,478

The accompanying notes are an integral part of the consolidated financial statements.

NV ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(Amounts in millions)

	<u>Years Ended December 31,</u>	
	<u>2016</u>	<u>2015</u>
Operating revenue:		
Regulated electric	\$ 2,785	\$ 3,212
Regulated natural gas	110	137
Nonregulated	—	2
Total operating revenue	<u>2,895</u>	<u>3,351</u>
Operating costs and expenses:		
Cost of fuel, energy and capacity	1,033	1,458
Natural gas purchased for resale	55	84
Operating and maintenance	568	543
Depreciation and amortization	421	410
Property and other taxes	62	60
Total operating costs and expenses	<u>2,139</u>	<u>2,555</u>
Operating income	<u>756</u>	<u>796</u>
Other income (expense):		
Interest expense	(259)	(272)
Allowance for borrowed funds	8	5
Allowance for equity funds	1	6
Other, net	29	25
Total other income (expense)	<u>(221)</u>	<u>(236)</u>
Income before income tax expense	535	560
Income tax expense	194	200
Net income	<u>\$ 341</u>	<u>\$ 360</u>

The accompanying notes are an integral part of these consolidated financial statements.

Nevada Power Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Wholesale energy purchases	\$ 406,715	\$ -
Transmission line losses	92,769	-
Settlement adjustment	(13,658)	-
Electricity transmission services	1,035,954	30,501
Transmission ancillary services	140,539	710
Operations and maintenance on Harry Allen substation ^(a)	85,781	-
Wholesale energy sales	-	499,056
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	<u>48,910</u>	<u>102,746</u>
Total	<u>\$ 1,797,010</u>	<u>\$ 633,013</u>

Basis of pricing	(b)	(b)	(c)
Cost of service	(b)	(b)	(c)
The margin of charges over costs	(b)	(b)	N/A
Assets allocable to the services	(b)	(b)	N/A
The overall rate of return on assets	(b)	(b)	N/A

(a) In previous years, PacifiCorp paid Nevada Power Company (“Nevada Power”) for the construction of transmission assets to be used by PacifiCorp at Nevada Power’s Harry Allen substation. These assets are owned by Nevada Power and are recorded in PacifiCorp’s plant-in-service as intangible assets in the gross amount of \$17,449,844 (\$12,380,885 net of accumulated depreciation) as of December 31, 2016. PacifiCorp pays Nevada Power for its share of the costs to operate and maintain these assets.

(b) Wholesale energy purchases and sales are priced based on a negotiated rate capped by the selling entity’s cost. Electricity transmission services and transmission ancillary services provided by Nevada Power are priced pursuant to Nevada Power’s Open Access Transmission Tariff (“OATT”). Electricity transmission services provided by PacifiCorp are priced based on a formula rate on file with the Federal Energy Regulatory Commission (“FERC”). Transmission ancillary services provided by PacifiCorp are priced pursuant to PacifiCorp’s OATT Schedules. Operations and maintenance costs are ultimately based on PacifiCorp’s share of actual operations and maintenance costs incurred.

(c) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

For further information on the following financial statements, refer to Nevada Power Company’s Form 10-K for the year ended December 31, 2016 (File No. 000-52378) at www.sec.gov.

NEVADA POWER COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions, except share data)

ASSETS	As of December 31,	
	2016	2015
Current assets:		
Cash and cash equivalents	\$ 279	\$ 536
Accounts receivable, net	243	265
Inventories	73	80
Regulatory assets	20	—
Other current assets	38	46
Total current assets	653	927
Property, plant and equipment, net	6,997	6,996
Regulatory assets	1,000	1,057
Other assets	39	37
Total assets	\$ 8,689	\$ 9,017
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	\$ 187	\$ 214
Accrued interest	50	54
Accrued property, income and other taxes	93	30
Regulatory liabilities	37	173
Current portion of long-term debt and financial and capital lease obligations	17	225
Customer deposits	78	58
Other current liabilities	39	28
Total current liabilities	501	782
Long-term debt and financial and capital lease obligations	3,049	3,060
Regulatory liabilities	416	304
Deferred income taxes	1,474	1,405
Other long-term liabilities	277	303
Total liabilities	5,717	5,854
Commitments and contingencies (Note 14)		
Shareholder's equity:		
Common stock - \$1.00 stated value, 1,000 shares authorized, issued and outstanding	—	—
Other paid-in capital	2,308	2,308
Retained earnings	667	858
Accumulated other comprehensive loss, net	(3)	(3)
Total shareholder's equity	2,972	3,163
Total liabilities and shareholder's equity	\$ 8,689	\$ 9,017

The accompanying notes are an integral part of the consolidated financial statements.

NEVADA POWER COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in millions)

	Years Ended December 31,		
	2016	2015	2014
Operating revenue	\$ 2,083	\$ 2,402	\$ 2,337
Operating costs and expenses:			
Cost of fuel, energy and capacity	768	1,084	1,076
Operating and maintenance	394	372	413
Depreciation and amortization	303	297	274
Property and other taxes	38	36	33
Total operating costs and expenses	<u>1,503</u>	<u>1,789</u>	<u>1,796</u>
Operating income	<u>580</u>	<u>613</u>	<u>541</u>
Other income (expense):			
Interest expense	(185)	(190)	(208)
Allowance for borrowed funds	4	3	1
Allowance for equity funds	2	4	1
Other, net	24	20	22
Total other income (expense)	<u>(155)</u>	<u>(163)</u>	<u>(184)</u>
Income before income tax expense	425	450	357
Income tax expense	146	162	130
Net income	<u>\$ 279</u>	<u>\$ 288</u>	<u>\$ 227</u>

The accompanying notes are an integral part of these consolidated financial statements.

Sierra Pacific Power Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Wholesale energy purchases	\$ 3,894	\$ -
Electricity transmission services	44,188	-
Transmission ancillary services	5,939	6,265
Electricity transmission service over agreed-upon facilities	-	53,256
Reserve share	6,639	7,953
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	<u>5,217</u>	<u>55,799</u>
Total	<u>\$ 65,877</u>	<u>\$ 123,273</u>

Basis of pricing	(a)	(b)	(a)	(b)
Cost of service	(a)	(b)	(a)	(b)
The margin of charges over costs	(a)	N/A	(a)	N/A
Assets allocable to the services	(a)	N/A	(a)	N/A
The overall rate of return on assets	(a)	N/A	(a)	N/A

(a) Wholesale energy purchases are priced based on negotiated rates capped by the selling entity’s cost. Electricity transmission services provided by Sierra Pacific Power Company (“Sierra Pacific”) are priced pursuant to Sierra Pacific’s Open Access Transmission Tariff (“OATT”). Reserve share is at standard pricing based on the Northwest Power Pool Reserve Sharing Agreement. Electricity transmission services over agreed-upon facilities are priced based on a rate schedule negotiated per the contract between PacifiCorp and Sierra Pacific.

(b) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amounts in the table above reflect the cost of the services.

For further information on the following financial statements, refer to Sierra Pacific Power Company’s Form 10-K for the year ended December 31, 2016 (File No. 000-00508) at www.sec.gov.

SIERRA PACIFIC POWER COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions, except share data)

	As of December 31,	
	2016	2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 55	\$ 106
Accounts receivable, net	117	124
Inventories	45	39
Regulatory assets	25	—
Other current assets	13	13
Total current assets	255	282
Property, plant and equipment, net	2,822	2,766
Regulatory assets	410	432
Other assets	6	7
Total assets	\$ 3,493	\$ 3,487
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	\$ 146	\$ 127
Accrued interest	14	15
Accrued property, income and other taxes	10	13
Regulatory liabilities	69	78
Current portion of long-term debt and financial and capital lease obligations	1	453
Customer deposits	16	17
Other current liabilities	12	11
Total current liabilities	268	714
Long-term debt and financial and capital lease obligations	1,152	749
Regulatory liabilities	221	230
Deferred income taxes	617	570
Other long-term liabilities	127	148
Total liabilities	2,385	2,411
Commitments and contingencies (Note 13)		
Shareholder's equity:		
Common stock - \$3.75 stated value, 20,000,000 shares authorized and 1,000 issued and outstanding	—	—
Other paid-in capital	1,111	1,111
Accumulated deficit	(2)	(35)
Accumulated other comprehensive loss, net	(1)	—
Total shareholder's equity	1,108	1,076
Total liabilities and shareholder's equity	\$ 3,493	\$ 3,487

The accompanying notes are an integral part of the consolidated financial statements.

SIERRA PACIFIC POWER COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in millions)

	Years Ended December 31,		
	2016	2015	2014
Operating revenue:			
Electric	\$ 702	\$ 810	\$ 779
Natural gas	110	137	125
Total operating revenue	<u>812</u>	<u>947</u>	<u>904</u>
Operating costs and expenses:			
Cost of fuel, energy and capacity	265	374	361
Natural gas purchased for resale	55	84	76
Operating and maintenance	170	167	162
Depreciation and amortization	118	113	105
Property and other taxes	24	25	22
Total operating costs and expenses	<u>632</u>	<u>763</u>	<u>726</u>
Operating income	<u>180</u>	<u>184</u>	<u>178</u>
Other income (expense):			
Interest expense	(54)	(61)	(61)
Allowance for borrowed funds	4	2	2
Allowance for equity funds	(1)	2	3
Other, net	4	3	12
Total other income (expense)	<u>(47)</u>	<u>(54)</u>	<u>(44)</u>
Income before income tax expense	133	130	134
Income tax expense	49	47	47
Net income	<u>\$ 84</u>	<u>\$ 83</u>	<u>\$ 87</u>

The accompanying notes are an integral part of these consolidated financial statements.

**MidAmerican Energy Services
 Affiliated Transactions
 For the Year Ended December 31, 2016**

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative services under the Intercompany Administrative Services Agreement (“IASA”)	\$ <u> -</u>	\$ <u> 7,360</u>
Total	\$ <u> -</u>	\$ <u> 7,360</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Services are performed under the IASA. Direct charges are calculated as described in Article 4(a)(i) of the attached IASA. Refer to Section VII for discussion of amounts that were based on allocation factors. The amount in the table above reflects the cost of the services.

Refer to the financial statements of Berkshire Hathaway Energy Company, the indirect parent company of MidAmerican Energy Services.

PPW Holdings, LLC
Affiliate Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
N/A	\$ _____ -	\$ _____ -
Total	<u>\$ _____ -</u>	<u>\$ _____ -</u>
Basis of pricing	N/A	N/A
Cost of service	N/A	N/A
The margin of charges over costs	N/A	N/A
Assets allocable to the services	N/A	N/A
The overall rate of return on assets	N/A	N/A

During the year ended December 31, 2016, PacifiCorp paid dividends of \$875,000,000 to PPW Holdings, LLC.

PacifiCorp is party to an income tax-sharing arrangement and is part of the Berkshire Hathaway Inc. United States federal income tax return. For certain state income taxes, PacifiCorp is part of Berkshire Hathaway Energy Company (“BHE”) combined or consolidated state income tax returns. PacifiCorp’s provision for income taxes has been computed on a stand-alone basis. PacifiCorp remits federal and certain state income tax payments to PPW Holdings, LLC. PPW Holdings, LLC then remits income tax payments to BHE, and BHE remits any federal income tax payments to Berkshire Hathaway Inc. At December 31, 2016, PPW Holdings, LLC owed PacifiCorp \$19,047,363 and Pacific Minerals, Inc. owed PPW Holdings, LLC \$2,305,930 under this arrangement.

PPW HOLDINGS LLC
BALANCE SHEET
December 31, 2016
(Amounts in thousands)

ASSETS

Current assets:	
Accounts receivable, net	\$ 3,399
Amounts due from affiliates	84
Total current assets	<u>3,483</u>
Investment in subsidiaries	7,399,455
Goodwill	1,126,641
Other assets	<u>36,612</u>
Total assets	<u><u>\$ 8,566,192</u></u>

LIABILITIES AND EQUITY

Current liabilities:	
Accounts payable	\$ 25
Total current liabilities	<u>25</u>
Equity:	
Common stock	-
Additional paid-in capital	6,217,086
Retained earnings	2,345,910
Accumulated other comprehensive income, net	<u>3,171</u>
Total equity	<u>8,566,167</u>
Total liabilities and equity	<u><u>\$ 8,566,192</u></u>

PPW HOLDINGS LLC
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2016
(Amounts in thousands)

Operating revenue	\$	-
Operating costs and expenses:		
Energy costs		(13,526)
Operations and maintenance		(293)
Depreciation and amortization		12,928
Total operating costs and expenses		(891)
Operating income		891
Other income (expense):		
Interest expense		(598)
Interest income		2,412
Other		762,510
Total other income (expense)		764,324
Income before income tax benefit		765,215
Income tax benefit		(960)
Net income		766,175
Net income attributable to noncontrolling interests		162
Net income attributable to PPW Holdings LLC	\$	766,013

Energy West Mining Company
Intercompany Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Information technology and administrative services	\$ _____ -	_____ 46,860
Total	<u>\$ _____ -</u>	<u>\$ _____ 46,860</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	None	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) Costs incurred by PacifiCorp on behalf of subsidiaries are charged at direct cost. Labor is charged at PacifiCorp's fully loaded cost plus administrative and general expense.

Energy West Mining Company is a wholly owned subsidiary of PacifiCorp.

ENERGY WEST MINING COMPANY

BALANCE SHEET

December 31, 2016

(Amounts in thousands)

ASSETS

Current assets:		
Cash and cash equivalents	\$	95
Accounts receivable, net		20
Amounts due from affiliates		415
Other current assets		1
Total current assets		<u>531</u>
Other assets:		
Long-term notes receivable - affiliates		115,119
Total other assets		<u>115,119</u>
Total assets	\$	<u>115,650</u>

LIABILITIES AND EQUITY

Current liabilities:		
Accounts payable	\$	303
Accrued employee expenses		214
Accrued property and other taxes		13
Total current liabilities		<u>530</u>
Non-current liabilities:		
Pension and post-retirement obligations		115,119
Total non-current liabilities		<u>115,119</u>
Total liabilities		<u>115,649</u>
Equity:		
Common stock		1
Additional paid-in capital		-
Total equity		<u>1</u>
Total liabilities and equity	\$	<u>115,650</u>

Fossil Rock Fuels, LLC
Intercompany Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
N/A	\$ _____ -	\$ _____ -
Total	<u>\$ _____ -</u>	<u>\$ _____ -</u>
Basis of pricing	N/A	N/A
Cost of service	N/A	N/A
The margin of charges over costs	N/A	N/A
Assets allocable to the services	N/A	N/A
The overall rate of return on assets	N/A	N/A

During the year ended December 31, 2016, Fossil Rock Fuels, LLC, a wholly owned subsidiary of PacifiCorp, paid dividends of \$3,463,925 to PacifiCorp.

FOSSIL ROCK FUELS, LLC
BALANCE SHEET
December 31, 2016
(Amounts in thousands)

ASSETS

Current assets:	
Cash and cash equivalents	\$ 1,020
Accounts receivable, net	2,000
Total current assets	<u>3,020</u>
Notes receivable-noncurrent	<u>27,000</u>
Total assets	<u><u>\$ 30,020</u></u>

LIABILITIES AND EQUITY

Equity:	
Common stock	\$ -
Additional paid-in capital	29,505
Retained earnings	515
Total equity	<u>30,020</u>
Total liabilities and equity	<u><u>\$ 30,020</u></u>

FOSSIL ROCK FUELS, LLC
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2016
(Amounts in thousands)

Operating revenue	\$ -
Operations and maintenance	4
Operating Loss	(4)
Other income (expense):	
Interest income	2,122
Total other income (expense)	2,122
Income before income tax benefit	2,118
Income tax benefit	-
Net Income	\$ 2,118

**Interwest Mining Company
Intercompany Transactions
For the Year Ended December 31, 2016**

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative support services	\$ 73,113	\$ -
Financial support services and employee benefits	<u>-</u>	<u>127,133</u>
Total	<u>\$ 73,113</u>	<u>\$ 127,133</u>

Basis of pricing	(a)	(b)
Cost of service	(a)	(b)
The margin of charges over costs	None	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) Under the terms of a services agreement between PacifiCorp and Interwest Mining Company (“Interwest Mining”), administrative support services provided by Interwest Mining are fully absorbed by PacifiCorp and its affiliates, and charges for the services are based on labor, benefits and operational cost. No profit is allowed.

(b) Costs incurred by PacifiCorp on behalf of subsidiaries are charged at direct cost. Labor is charged at PacifiCorp’s fully loaded cost plus administrative and general expense.

Interwest Mining is a wholly owned subsidiary of PacifiCorp.

The following items are excluded from the table above:

- Management fees charged by Pacific Minerals, Inc. (“PMI”) in the amount of \$691,248. The amount charged to PMI was then charged by PMI to Bridger Coal Company.

INTERWEST MINING COMPANY

BALANCE SHEET

December 31, 2016

(Amounts in thousands)

ASSETS

Current assets:	
Amounts due from affiliates	\$ 223
Total assets	\$ 223

LIABILITIES AND EQUITY

Current liabilities:	
Accrued employee expenses	\$ 217
Accrued property and other taxes	5
Total liabilities	222
Equity:	
Common stock	1
Additional paid-in-capital	-
Total equity	1
Total liabilities and equity	\$ 223

Pacific Minerals, Inc.
Intercompany Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
(a)	\$ _____ -	\$ _____ -
Total	<u>\$ _____ -</u>	<u>\$ _____ -</u>
Basis of pricing	N/A	N/A
Cost of service	N/A	N/A
The margin of charges over costs	N/A	N/A
Assets allocable to the services	N/A	N/A
The overall rate of return on assets	N/A	N/A

(a) Refer to Section III for information regarding loans and associated interest between PacifiCorp and Pacific Minerals, Inc. (“PMI”).

PMI is a wholly owned subsidiary of PacifiCorp.

The following items are excluded from the table above:

- Management fees in the amount of \$691,248 that were charged by Interwest Mining Company to PMI, and then charged by PMI to Bridger Coal Company (“Bridger Coal”).
- Employee services provided by PMI to Bridger Coal. PMI is the entity that employs the individuals that work for Bridger Coal. PMI charges Bridger Coal for these employees’ services, including labor, pensions and benefits costs. Bridger Coal then inherently charges PacifiCorp for its 66.67% share of this payroll expense in the cost of fuel.

During the year ended December 31, 2016, Bridger Coal made equity distributions to PMI and PMI made equity contributions to Bridger Coal for a net distribution of \$47,431,223.

During the year ended December 31, 2016, PMI paid a dividend of \$55,000,000 to PacifiCorp.

PacifiCorp is party to an income tax-sharing arrangement and is part of the Berkshire Hathaway Inc. United States federal income tax return. For certain state income taxes, PacifiCorp is part of Berkshire Hathaway Energy Company (“BHE”) combined or consolidated state income tax returns. PacifiCorp’s provision for income taxes has been computed on a stand-alone basis. PacifiCorp remits federal and certain state income tax payments to PPW Holdings, LLC. PPW Holdings, LLC then remits income tax payments to BHE, and BHE remits any federal income tax payments to Berkshire Hathaway Inc. At December 31, 2016, PMI owed PPW Holdings, LLC \$2,305,930 under this arrangement.

PACIFIC MINERALS, INC.
BALANCE SHEET
December 31, 2016
(Amounts in thousands)

ASSETS

Current assets:	
Cash and cash equivalents	\$ 829
Accounts receivable, net	7
Amounts due from affiliates	7,168
Total current assets	<u>8,004</u>
Investment in unconsolidated subsidiaries	<u>164,598</u>
Total assets	<u>\$ 172,602</u>

LIABILITIES AND EQUITY

Current liabilities:	
Accounts payable	\$ (1)
Amounts due to affiliates	1,674
Accrued employee expenses	3,537
Accrued property and other taxes	124
Total current liabilities	<u>5,334</u>
Deferred income taxes	<u>10,209</u>
Total liabilities	<u>15,543</u>
Equity:	
Common stock	-
Additional paid-in capital	47,960
Retained earnings	109,099
Total equity	<u>157,059</u>
Total liabilities and equity	<u>\$ 172,602</u>

PACIFIC MINERALS, INC.
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2016
(Amounts in thousands)

Operating revenue	\$	-
Operating costs and expenses:		
Taxes other than income taxes		44
Operating loss		(44)
Other income (expense):		
Interest income		14
Other		21,710
Total other income (expense)		21,724
Income before income tax expense		21,680
Income tax expense		6,349
Net income	\$	15,331

Bridger Coal Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Coal purchases ^(a)	\$ 163,469,103	\$ -
Information technology and administrative services	<u>-</u>	<u>980,399</u>
Total	<u>\$ 163,469,103</u>	<u>\$ 980,399</u>
Basis of pricing	(b)	(c)
Cost of service	(b)	(c)
The margin of charges over costs	None, (b)	None
Assets allocable to the services	None	None
The overall rate of return on assets	None	None

(a) Represents the cost of coal purchased by PacifiCorp from Bridger Coal Company (“Bridger Coal”) during the year ended December 31, 2016 and is PacifiCorp’s 66.67% share equal to its ownership interest in Bridger Coal. Refer also to (b) below.

(b) Although coal purchased from Bridger Coal is priced at Bridger Coal’s cost plus a margin, coal purchases are reflected on PacifiCorp’s books at Bridger Coal’s cost and any margin is eliminated resulting in both fuel inventory and fuel expense being reflected at Bridger Coal’s cost in PacifiCorp’s state ratemaking and generally accepted accounting principles books. Costs are reflected as fuel inventory upon purchase and recognized as fuel expense as consumed.

(c) Costs incurred by PacifiCorp on behalf of Bridger Coal are charged at direct cost. Labor is charged at PacifiCorp’s fully loaded cost plus administrative and general expense.

During the year ended December 31, 2016, Bridger Coal made equity distributions to Pacific Minerals, Inc. (“PMI”) and PMI made equity contributions to Bridger Coal for a net distribution of \$47,431,223.

The following items are excluded from the table above:

- Management fees in the amount of \$691,248 that were charged by Interwest Mining Company to PMI, and then charged by PMI to Bridger Coal.
- Services provided by HomeServices of America, Inc. to Bridger Coal in the amount of \$388,670.
- Employee services provided by PMI to Bridger Coal. PMI is the entity that employs the individuals that work for Bridger Coal. PMI charges Bridger Coal for these employees’ services, including labor, pensions and benefits costs. Bridger Coal then inherently charges PacifiCorp for its 66.67% share of this payroll expense as part of the coal purchases shown in the table above.

Currency: USD
 No specific Ledger requested

	2016	2015
CURRENT ASSETS		
Cash and Temp Investments	7,219,265	7,870,024
Accounts Receivable Trade	8,218,693	7,194,323
Accounts Receivable Interco	16,437,387	14,255,008
Coal Inventory	57,971,698	67,625,094
Materials and Supplies Inventory	18,817,400	20,975,448
Prepaids and Other Current Assets	178	26,964
Total Current Assets	108,664,622	117,946,862
PROPERTY, PLANT AND EQUIPMENT		
Land	6,211	6,211
Land Improvements	12,207,676	12,207,676
Mine Development	20,656,009	19,390,924
Buildings and Improvements	45,064,865	44,924,760
Capitalized Interest	410,400	410,400
Haul Roads	15,370,874	15,390,873
Mining Equipment	211,432,067	232,675,264
Vehicles	145,949,889	147,890,006
Office Furniture & Equip	441,673	447,440
Computer H & S	3,825,932	4,101,725
Other Equipment	10,929,143	12,626,753
Mineral Rights	15,520,572	14,940,181
ARO	130,231,271	152,788,859
Non-Utility Property	177,437	177,437
Total Property, Plant and Equipment	612,224,019	657,978,509
Less: Accumulated Depreciation/Depletion Construction in Progress	375,837,907 5,328,092	361,535,145 8,511,818
Net Property, Plant and Equipment	241,714,204	304,955,181
OTHER NON-CURRENT ASSETS		
Deferred Longwall Reclamation Trust Fund	2,262,739 78,231,806	772,746 69,662,579
Total Other Non-Current Assets	80,494,545	70,435,325
TOTAL - ASSETS	430,873,371	493,337,368

Currency: USD
 No specific Ledger requested

	2016	2015
CURRENT LIABILITIES		
Accounts Payable - Trade	6,071,939	10,095,578
Accounts Payable - Interco	4,395,998	4,484,614
Accrued Royalties	1,672,657	1,838,481
Accrued Payroll	269,561	249,500
Accrued Production Taxes	11,624,645	11,886,918
Accrued Property and Sales Tax	1,065,985	1,236,676
Total Current Liabilities	25,100,785	29,791,766
LONG-TERM LIABILITIES		
Accrued Pre Jan 1988 Reclamation	0	0
Accrued Post Jan 1988 Reclamation	0	0
Earnings on Reclamation Trust Fund	0	0
ARO Regulatory Liability Unrealized G/L	8,253,169	5,226,537
ARO Regulatory Liability	34,584,452	33,224,718
ARO Liability	111,616,147	132,895,090
Production Taxes	4,422,123	6,721,540
Coal Lease Bonus	0	0
Total Long-Term Liabilities	158,875,891	178,067,886
Total Liabilities	183,976,676	207,859,652
JOINT VENTURE CAPITAL		
Pacific Minerals, Inc.	164,597,797	180,318,478
Idaho Energy Resources	82,298,898	95,159,239
Total Joint Venture Capital	246,896,696	285,477,717
TOTAL - LIABILITIES/CAPITAL	430,873,371	493,337,368

M GL BOOK
Bridger Coal Company Statement of Income
Current Period: DEC-16

Currency: USD
CO=03 (Bridger Coal Company)

	One Month Ended			Year to Date		
	DEC-16	DEC-15	DEC-16	DEC-16	DEC-15	DEC-16
REVENUE:						
Coal Sales	24,656,080	21,320,930	259,030,326	278,464,598		
Interest Revenue	0	0	0	0		
Other Revenue	(312,636)	(836,343)	18,731,923	(1,293,896)		
Total Revenue	24,343,444	20,484,587	277,762,249	277,170,702		
EXPENSES:						
Overburden Removal	3,675,246	3,125,958	33,929,302	34,463,539		
Reclamation	958,796	1,008,740	11,736,378	13,257,810		
Coal Production - Surface	1,014,678	873,194	16,608,059	17,188,690		
Coal Production Underground	9,180,428	6,465,162	89,338,470	98,713,745		
Other Cost of Mining	489,550	747,138	6,185,795	5,619,767		
Depreciation & Amortization	2,250,403	2,625,803	27,114,915	29,547,368		
Royalties	1,806,313	1,963,481	19,128,827	22,678,715		
Taxes	2,154,821	2,134,056	21,378,945	25,308,597		
Administrative	85,000	89,300	1,020,000	1,071,600		
Interest	0	0	0	1,819		
Other Expense	0	0	18,755,745			
Total Expenses	21,615,235	19,032,832	245,196,434	247,851,648		
NET INCOME	2,728,208	1,451,755	32,565,814	29,319,054		

**PacifiCorp Foundation
 Affiliated Transactions
 For the Year Ended December 31, 2016**

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Administrative support services	\$ _____ -	\$ _____ 127,051
Total	<u>\$ _____ -</u>	<u>\$ _____ 127,051</u>
Basis of pricing	N/A	(a)
Cost of service	N/A	(a)
The margin of charges over costs	N/A	None
Assets allocable to the services	N/A	None
The overall rate of return on assets	N/A	None

(a) Costs incurred by PacifiCorp on behalf of affiliates are charged at direct cost. Labor is charged at PacifiCorp's fully loaded cost plus administrative and general expense.

PacifiCorp Foundation
Statement of Financial Position

(in dollars)
(Unaudited - Internal Use Only)

	<u>12/31/2016</u>
Assets:	
Cash	\$ 53,937
Restricted investments:	
Cash and cash equivalents	182,048
Interest receivable	728
Dividend receivable	6,504
Tax receivable	917
Receivable for investment sold	250,253
State Street investments	<u>43,789,117</u>
Total restricted investments	<u>44,229,567</u>
Total assets	<u><u>44,283,504</u></u>
Liabilities:	
Accounts payable	<u>14,735</u>
Total liabilities	<u>14,735</u>
Net assets	<u><u>\$ 44,268,769</u></u>

PacifiCorp Foundation
Statement of Income and Changes in Net Assets
For the Year Ended December 31, 2016

(in dollars)

(Unaudited - Internal Use Only)

	Year-to-Date
Revenue and contributions:	
Interest income	\$ 1,892
Dividends	613,447
Realized gain/(loss) on sale of investment	8,319,929
Unrealized gain/(loss) on investment	(6,016,319)
Capital gains on partnership investments	15,170
Miscellaneous income: security litigation income	1,055
Total revenues/(losses) and contributions	2,935,174
Expenses:	
Grants:	
Health, welfare and social services	486,500
Education	425,150
Culture and arts	232,500
Civic and community betterment	172,500
Giving campaign match	280,106
Matching gift program	100,732
Small community capital projects	304,064
Rocky Mountain Power Foundation special grants	20,000
Pacific Power Foundation special grants	20,000
Global Days of Service	80,000
Grants expensed in prior periods	(12,500)
Total grants	2,109,052
Administrative expenses	127,051
Investment management fees	57,925
Taxes	46,612
Bank fees	2,776
Total expenses	2,343,416
Net assets increase (decrease)	591,758
Net assets beginning of period	43,677,011
Net assets end of period	\$ 44,268,769

Trapper Mining Inc.
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Coal purchases ^(a)	\$ 10,791,869	\$ -
Board of directors fees and associated board meeting costs ^(b)	<u>-</u>	<u>4,465</u>
Total	<u>\$ 10,791,869</u>	<u>\$ 4,465</u>
Basis of pricing	(c)	(d)
Cost of service	(c)	(d)
The margin of charges over costs	None, (c)	(d)
Assets allocable to the services	None	(d)
The overall rate of return on assets	None	(d)

- (a) Represents the cost of coal purchased by PacifiCorp from Trapper Mining Inc. during the year ended December 31, 2016. Refer also to (c) below.
- (b) PacifiCorp and Interwest Mining Company each have an employee that serves on the Trapper Mining Inc. board of directors. The table excludes \$5,533 related to the Interwest Mining Company employee.
- (c) Although coal purchased from Trapper Mining Inc. is priced at Trapper Mining Inc.'s cost plus a margin, coal purchases are reflected on PacifiCorp's books at Trapper Mining Inc.'s cost and any margin is eliminated resulting in both fuel inventory and fuel expense being reflected at Trapper Mining Inc.'s cost in PacifiCorp's state ratemaking and generally accepted accounting principles books. Costs are reflected as fuel inventory upon purchase and recognized as fuel expense as consumed.
- (d) Charges for board of directors fees and associated board meeting costs are based on a flat fee of \$1,000 per board meeting plus lodging expenses.

During the year ended December 31, 2016, Trapper Mining Inc. paid a dividend of \$80,721 to PacifiCorp.

Trapper Mining Inc.
Consolidated Balance Sheet
December 31, 2016
(Unaudited)

Assets:

Current Assets:	
Cash & Cash Equivalents	\$ 19,599,163
Accounts Receivable	2,625,175
Inventories	6,631,547
Prepaid and Other Current Assets	514,102
Current Reclamation Receivable from Buyers	600,365
Total Current Assets	<u>\$ 29,970,352</u>
Property, Equipment and Facilities before FAS 143:	
Lands and Leases	\$ 17,746,112
Development Costs	2,834,815
Equipment and Facilities	121,783,612
Total Property, Equipment and Facilities (Cost)	<u>\$ 142,364,539</u>
Less Accumulated Depreciation and Amortization	(110,876,084)
Total Property, Equipment and Facilities (Net)	<u>\$ 31,488,455</u>
FAS 143 Property, Equipment and Facilities (Net) . .	<u>1,918,036</u>
Grand Total Property, Equipment and Facilities (Net)	<u>\$ 33,406,491</u>
Reclamation Receivable from Buyers	13,722,515
Restricted Funds - Black Lung	500,000
Deferred Loan Fees - Net	-
Advance Royalty - State 206-13	50,000
Total Assets	<u><u>\$ 77,649,358</u></u>

Liabilities and Members' Equity:

Current Liabilities:	
Accounts Payable	\$ 1,271,817
Accrued Payroll Expenses	3,116,264
Accrued Production Taxes	1,378,787
Accrued Royalties	678,197
Current Portion Asset Retirement Liability	600,365
Current Portion Long-Term Debt	202,390
Total Current Liabilities	<u>\$ 7,247,820</u>
Long-Term Debt	-
Asset Retirement Liability	15,640,551
Black Lung Liability	175,884
Total Liabilities	<u>\$ 23,064,255</u>
Members' Equity	
Paid in Capital @ 1/1/98	\$ 20,324,925
Patronage Equity - Prior Year	29,498,399
Non-Patronage Equity - Prior Year	2,760,970
Patronage Equity - Current Year	1,933,366
Non-Patronage Equity - Current Year	67,443
Total Members' Equity	<u>\$ 54,585,103</u>
Total Liabilities and Members' Equity	<u><u>\$ 77,649,358</u></u>

TRAPPER MINING INC
CONSOLIDATED NET INCOME
AS OF: DECEMBER 31, 2016

	<u>NET INCOME FOR THE MONTH</u>	<u>NET INCOME YEAR TO DATE</u>
TRAPPER MINING	\$ (3,545,545.07)	2,642,386.41
WILLIAMS FORK MINING	(8.22)	(3,167.11)
WILLIAMS FORK LAND	<u>(45,412.11)</u>	<u>(634,770.87)</u>
NET INCOME (LOSS) BEFORE TAX	<u>\$ (3,590,965.40)</u>	<u>\$ 2,004,448.43</u>
CURRENT TAX PROVISION	<u>(3,639.00)</u>	<u>(3,639.00)</u>
TOTAL TAX PROVISION	<u>(3,639.00)</u>	<u>(3,639.00)</u>
NET INCOME (LOSS) AFTER TAX	<u><u>\$ (3,594,604.40)</u></u>	<u><u>2,000,809.43</u></u>
SALT RIVER 32.10%	13,717.63	21,649.16
TRI-STATE 26.57%	11,354.44	17,919.57
PACIFICORP 21.40%	9,145.09	14,432.78
PLATTE RIVER 19.93%	<u>8,516.89</u>	<u>13,441.36</u>
TOTAL NONPATRONAGE INCOME (LOSS)	42,734.05	67,442.87
SALT RIVER 32.10%	(1,167,585.64)	620,610.67
TRI-STATE 26.57%	(966,440.83)	513,695.49
PACIFICORP 21.40%	(778,390.43)	413,740.44
PLATTE RIVER 19.93%	<u>(724,921.55)</u>	<u>385,319.96</u>
TOTAL PATRONAGE INCOME (LOSS)	<u>(3,637,338.45)</u>	<u>1,933,366.56</u>
TOTAL INCOME (LOSS)	<u><u>(3,594,604.40)</u></u>	<u><u>2,000,809.43</u></u>

TRAPPER MINING INC
CONSOLIDATED PATRONAGE & NONPATRONAGE INCOME ALLOCATION
AS OF: DECEMBER 31, 2016

		<u>NET INCOME \$ FOR THE MONTH</u>	<u>NET INCOME YEAR TO DATE</u>
TRAPPER PATRONAGE INCOME		(3,591,926.34)	
TRAPPER NONPATRON INCOME		<u>42,742.27</u>	
 TOTAL TRAPPER INCOME		 (3,549,184.07)	
WFMC NONPATRONAGE INCOME		(8.22)	
WFLC PATRONAGE INCOME		<u>(45,412.11)</u>	
 TOTAL CONSOLIDATED INCOME		 (3,594,604.40)	
<hr style="border-top: 3px double #000;"/>			
SALT RIVER	32.10%	(1,153,008.35)	824,372.12
TRI-STATE	26.57%	(954,374.83)	682,354.11
PACIFICORP	21.40%	(768,672.24)	549,581.41
PLATTE RIVER	19.93%	<u>(715,870.92)</u>	<u>511,829.79</u>
 TOTAL TRAPPER PATRONAGE		 (3,591,926.34)	 2,568,137.43
SALT RIVER	32.10%	13,720.27	22,665.80
TRI-STATE	26.57%	11,356.62	18,761.07
PACIFICORP	21.40%	9,146.85	15,110.54
PLATTE RIVER	19.93%	<u>8,518.53</u>	<u>14,072.57</u>
 TOTAL TRAPPER NONPATRON		 42,742.27	 70,609.98
 TOTAL TRAPPER INCOME		 (3,549,184.07)	 2,638,747.41
SALT RIVER	32.10%	(2.64)	(1,016.64)
TRI-STATE	26.57%	(2.18)	(841.50)
PACIFICORP	21.40%	(1.76)	(677.76)
PLATTE RIVER	19.93%	<u>(1.64)</u>	<u>(631.21)</u>
 TOTAL WFMC NONPATRONAGE		 (8.22)	 (3,167.11)
SALT RIVER	32.10%	(14,577.29)	(203,761.45)
TRI-STATE	26.57%	(12,066.00)	(168,658.62)
PACIFICORP	21.40%	(9,718.19)	(135,840.97)
PLATTE RIVER	19.93%	<u>(9,050.63)</u>	<u>(126,509.83)</u>
 TOTAL WFLC PATRONAGE		 (45,412.11)	 (634,770.87)

Cottonwood Creek Consolidated Irrigation Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Annual assessment fees	\$ <u>332,588</u>	\$ <u>-</u>
Total	\$ <u>332,588</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	None	N/A
Assets allocable to the services	None	N/A
The overall rate of return on assets	None	N/A

(a) Cottonwood Creek Consolidated Irrigation Company is a not-for-profit entity that operates at cost.

At December 31, 2016, PacifiCorp's plant-in-service included the following assets related to Cottonwood Creek Consolidated Irrigation Company: \$6,052,845 (\$5,222,884 net of accumulated depreciation) for a water supply project (including allowance for funds used during construction and capital surcharge) and \$65,431 (\$27,218 net of accumulated depreciation) for water rights.

Cottonwood Creek Consolidated Irrigation Company
Balance Sheet

For The Year Ending December 31, 2016

Description	Beginning Balance	Receipts	Disbursements	Ending Balance
Zions Bank - Payroll	350.07	43,689.42	42,617.21	1,422.28
Zions Bank - Construction	21,526.41	3,229,727.84	3,210,703.42	40,550.83
Zions Bank - Operating	287,829.86	485,854.40	435,000.96	338,683.30
Wells Fargo - Construction	2,000.00	0.00	0.00	2,000.00
MM - Zions Bank	1,777,487.08	596,716.24	1,204,228.70	1,169,974.62
MM - General Fund	0.00	200,110.69	0.00	200,110.69
Account Receivable	7,490.28	674,583.23	514,067.35	168,006.16
Grants Receivable	1,444,612.95	0.00	1,444,612.95	0.00
Certificate - Wells Fargo	10,104.51	0.00	0.00	10,104.51
Short Term Wells Fargo	2,060.16	0.73	450.00	1,610.89
Property & Equipment	22,897,845.58	0.00	0.00	22,897,845.58
Work In Progress	6,458,258.25	0.00	0.00	6,458,258.25
Accounts Payable	(220,342.89)	220,342.89	296,343.02	(296,343.02)
Loan Utah Water Resources	(5,576,672.54)	258,223.03	0.00	(5,318,449.51)
Totals	27,112,549.72	5,709,248.47	7,148,023.61	25,673,774.58

Cottonwood Creek Consolidated Irrigation Company
General Ledger Report

Date: For The Year Ended December 31, 2016

Account Name	Beginning Balance	Receipts	Disbursements	Ending Balance
General Fund	234,660.63	66,670.40	52,780.03	248,551.00
Loan Payment	0.00	276,000.00	276,000.00	0.00
Interest Earnings	9,758.80	2,322.58	0.00	12,081.38
Stock Water Pipeline	53,146.70	9,150.00	19,770.61	42,526.09
Project Water Fund	0.00	22,599.31	22,599.31	0.00
River Commissioner	21,621.68	0.00	4,767.04	16,854.64
Swasey Ditch	1,494.63	834.25	0.00	2,328.88
Peacock Ditch	1,350.34	2,304.60	0.00	3,654.94
Stock Corral	175.18	0.00	0.00	175.18
Joes Valley/Black Canyon	15,004.04	6,731.54	48,469.00	(26,733.42)
Fund Adjustment Account	13,877,767.17	258,223.03		14,135,990.20
Total	<u>14,214,979.17</u>	<u>644,835.71</u>	<u>424,385.99</u>	<u>14,435,428.89</u>
O&M				
Mammoth Canal	7,660.07	9,113.23	9,113.25	7,660.04
Clipper & Western Canals	15,576.15	5,534.45	5,534.45	15,576.15
Blue Cut Canal	11,594.76	4,499.22	4,499.22	11,594.76
O&M Reservoir	0.00	27,240.87	27,240.87	0.00
O&M Irrigation System	0.00	56,969.02	56,969.02	0.00
Total O&M	<u>34,830.98</u>	<u>103,356.79</u>	<u>103,356.81</u>	<u>34,830.96</u>
Construction				
Construction	12,862,739.57	1,798,186.95	264,867.91	14,396,058.61
Adobe Wash Reservoir	0.00	0.00	206,606.81	(206,606.81)
C&W Pipeline Salinity	0.00	0.00	10,487.06	(10,487.06)
Blue Cut Project	0.00	0.00	80,680.55	(80,680.55)
Upper Mammoth Project	0.00	0.00	116,130.14	(116,130.14)
Lower Mammoth Project	0.00	0.00	2,654,218.07	(2,654,218.07)
Jorgensen/Wilberg	0.00	0.00	124,421.24	(124,421.24)
Total Construction	<u>12,862,739.57</u>	<u>1,798,186.95</u>	<u>3,457,411.78</u>	<u>11,203,514.74</u>
Grand Totals	<u>27,112,549.72</u>	<u>2,546,379.45</u>	<u>3,985,154.58</u>	<u>25,673,774.58</u>

Ferron Canal & Reservoir Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Annual assessment fees	\$ 669,113	\$ -
Payment for water rights ^(a)	561,099	-
Credit received ^(a)	<u>(207,088)</u>	<u>-</u>
Total	<u>\$ 1,023,124</u>	<u>\$ -</u>

Basis of pricing	(b)	N/A
Cost of service	(b)	N/A
The margin of charges over costs	None	N/A
Assets allocable to the services	None	N/A
The overall rate of return on assets	None	N/A

(a) During the year ended December 31, 2016, PacifiCorp paid \$561,099 for the right to obtain 7,000 acre-feet of water for the year ended December 31, 2016. PacifiCorp received a credit of \$207,088 representing PacifiCorp's share of the water rights payment based on its percentage ownership in Ferron Canal & Reservoir Company.

(b) Under section 501(c)12 of the Internal Revenue Code, Ferron Canal & Reservoir Company operates at cost.

At December 31, 2016, PacifiCorp's plant-in-service included the following asset related to Ferron Canal & Reservoir Company: \$383,772 (\$159,640 net of accumulated depreciation) for water rights.

6:30 AM
01/18/17
Cash Basis

FERRON CANAL & RESERVOIR CO.
Balance Sheet
As of December 31, 2016

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	
DESERVIEW CHECKING	527,391.51
DESERVIEW FEDERAL CREDIT UNION	
MASTER SHARES	1,142,128.35
SHARE ACCOUNT	28.09
Total DESERVIEW FEDERAL CREDIT UNION	1,142,156.44
Sediment Mitigation Acct	18,055.72
ZION'S BANK	175,782.24
Total Checking/Savings	1,863,385.91
Total Current Assets	1,863,385.91
TOTAL ASSETS	1,863,385.91
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-110.72
Total Accounts Payable	-110.72
Other Current Liabilities	
Payroll Liabilities	970.76
Total Other Current Liabilities	970.76
Total Current Liabilities	860.04
Total Liabilities	860.04
Equity	
Retained Earnings	1,483,880.28
Net Income	378,645.59
Total Equity	1,862,525.87
TOTAL LIABILITIES & EQUITY	1,863,385.91

FERRON CANAL & RESERVOIR CO.
Profit & Loss
 January through December 2016

	Jan - Dec 16
Income	
INCOME	
CERTIFICATE TRANSFERS	77.85
INCOME - Other	315,588.67
Total INCOME	315,666.52
REVENUE	909,169.95
Total Income	1,224,836.47
Gross Profit	1,224,836.47
Expense	
Bank Service Charge	17.65
EQUIPMENT	
EQUIPMENT SHEDS	7,482.54
LEASE	29,237.23
TOOLS	1,459.81
Total EQUIPMENT	38,179.58
GENERAL	
BOARDMEMBER	930.00
DREDGE	284,266.79
INSURANCE	35,835.36
LEGAL NOTICE	60.00
LOAN PAYMENTS	163,100.00
OFFICE SUPPLIES	4,767.68
PAYROLL EXPENSES	144,278.90
PERMITS	157.14
POWER	1,130.39
PROFESSIONAL SERVICES	1,467.50
REGISTRATIONS	20.00
TELEPHONE	3,253.13
TRANSPORTATION	423.50
TRAVEL EXPENSE	1,546.16
WATER/POP/GROCERIES	1,337.52
GENERAL - Other	5,398.00
Total GENERAL	647,972.07
IRRIGATION	
REPAIRS	25,049.38
SUPPLIES	30,411.16
Total IRRIGATION	55,460.54
MAINTENANCE	
BUILDING	11,663.27
EQUIPMENT REPAIRS	16,631.92
FUEL	17,773.64
SUPPLIES	15,184.21
Total MAINTENANCE	61,253.04
MILLSITE REHABILITATION	42,618.00
Reconciliation Discrepancies	27.00
VEHICLES	
REGISTRATION	663.00
Total VEHICLES	663.00
Total Expense	846,190.88
Net Income	378,645.59

Huntington Cleveland Irrigation Company
Affiliated Transactions
For the Year Ended December 31, 2016

<u>Account Description</u>	<u>PacifiCorp Received Services</u>	<u>PacifiCorp Provided Services</u>
Annual assessment fees	\$ <u>528,309</u>	\$ <u>-</u>
Total	\$ <u>528,309</u>	\$ <u>-</u>
Basis of pricing	(a)	N/A
Cost of service	(a)	N/A
The margin of charges over costs	None	N/A
Assets allocable to the services	None	N/A
The overall rate of return on assets	None	N/A

(a) Under section 501(c)12 of the Internal Revenue Code, Huntington Cleveland Irrigation Company operates at cost.

At December 31, 2016, PacifiCorp's plant-in-service included the following assets related to Huntington Cleveland Irrigation Company: \$22,075,411 (\$15,917,018 net of accumulated depreciation) for a water supply project (including allowance for funds used during construction and capital surcharge) and \$1,471,639 (\$489,798 net of accumulated depreciation) for water rights.

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2016

	TOTAL ALL FUNDS	
	2015	2016
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 537,057	\$ 335,700
Restricted cash and cash equivalents	100,425	147,480
Accounts receivable:		
Shareholder assessments	9,074	19,328
Other	4,655	1,076
Contracts receivable:		
USDA Forest Service	438,329	
BOR - Restricted	45,323	133,503
NRCS - Restricted	30,617	14,754
Prepaid Insurance	3,158	3,886
	\$ 1,168,638	\$ 655,727
NONCURRENT ASSETS:		
Fixed Assets:		
Land	\$ 41,722	\$ 41,722
Easements	116,718	116,718
Water rights	3,096,469	3,096,469
Vehicles	13,737	13,737
Office equipment	5,840	5,840
Other equipment	4,759	7,807
Diversion structures	55,000	55,000
Storage facilities improvements	4,462,412	4,462,412
Irrigation System	56,346,948	56,858,889
Accumulated depreciation	(4,341,465)	(5,538,890)
	\$ 59,802,140	\$ 59,119,704
	\$ 60,970,778	\$ 59,775,431

"The accompanying notes are an integral part of this statement."

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2016

	<u>TOTAL ALL FUNDS</u>	
	<u>2015</u>	<u>2016</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 920,178	\$ 437,327
Payroll taxes payable	5,519	474
Accrued interest payable	46,827	3,405
Current portion of long-term liabilities	271,689	167,210
	<u>1,244,213</u>	<u>608,416</u>
Total current liabilities	\$ 1,244,213	\$ 608,416
LONG-TERM LIABILITIES:		
Notes payable	\$ 3,239,050	\$ 3,067,082
	<u>3,239,050</u>	<u>3,067,082</u>
Total long-term liabilities	\$ 3,239,050	\$ 3,067,082
Total liabilities	\$ 4,483,263	\$ 3,675,498
NET ASSETS:		
Unrestricted:	\$ 5,672,238	\$ 5,798,401
Temporarily Restricted - Salinity Project	50,815,277	50,301,532
	<u>56,487,515</u>	<u>56,099,933</u>
Total net assets	\$ 56,487,515	\$ 56,099,933
Total liabilities and net assets	<u>\$ 60,970,778</u>	<u>\$ 59,775,431</u>

"The accompanying notes are an integral part of this statement."

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2016

	2015			2016		
	UNRESTRICTED OPERATIONS & MAINTENANCE	TEMPORARILY RESTRICTED SALINITY PROJECT	TOTAL 2015	UNRESTRICTED OPERATIONS & MAINTENANCE	TEMPORARILY RESTRICTED SALINITY PROJECT	TOTAL 2016
Charges for Services:						
A Water Assessment	\$ 81,854		\$ 81,854	\$ 81,585		\$ 81,585
B Water Assessment	22,093		22,093	22,500		22,500
Municipal and Industry Assessment	577,650		577,650	577,747		577,747
Dam Repayment Assessment	29,021		29,021	28,950		28,950
Project Repayment/O & M Assessment	66,279		66,279	67,499		67,499
Upper Pond Assessment	65,059		65,059	64,930		64,930
Meter Assessment	32,775		32,775	33,150		33,150
Minimal Assessment Adjustments	2,431		2,431	2,612		2,612
Net charges for services	\$ 877,162	\$...	\$ 877,162	\$ 878,973	\$...	\$ 878,973
Governmental grants	\$ 444,304	\$ 113,135	\$ 557,439	\$ 6,095	\$ 298,180	\$ 304,275
Other Revenue:						
Payments from Stockholders (NRCS)		\$ 36,616	\$ 36,616		\$ 317,707	\$ 317,707
Certificate Transfers	\$ 2,202		2,202	\$ 2,760		2,760
Late Fees	2,342		2,342	2,393	2,257	4,650
Interest	1,701	190	1,891	1,337	169	1,506
Reimbursements	38,149		38,149	23,437		23,437
Miscellaneous	1,422		1,422	801		801
Total other revenue	\$ 45,816	\$ 36,806	\$ 82,622	\$ 30,728	\$ 320,133	\$ 350,861
Total revenues	\$ 1,367,282	\$ 149,941	\$ 1,517,223	\$ 915,796	\$ 618,313	\$ 1,534,109
Expenses:						
Program services:						
Water Master Wage	\$ 102,822		\$ 102,822	\$ 103,988		\$ 103,988
Reservoir Manager Wage	18,018		18,018	18,018		18,018
Other Labor Wage				3,299		3,299
Payroll Benefits	14,976		14,976	15,536		15,536
Machine Hire	75,222		75,222	9,500		9,500
Equipment Rental	25,675		25,675	250		250
Non Employee Labor	640		640	316		316
Joe's Valley Dam Repayment	26,198		26,198	26,198		26,198
O&M - EWCD	30,821		30,821	30,821		30,821
Huntington Dam Repayment	11,154		11,154	11,154		11,154
Water System Maintenance	406,034		406,034	363,739		363,739
Water Rights Assessments	25,313		25,313	26,857		26,857
Beaver & Muskrat Control	1,960		1,960	1,030		1,030
Vehicle and Equipment Expense	10,302		10,302	13,348		13,348
Material and Supplies	13,556		13,556	15,368		15,368
Insurance	12,705		12,705	12,254		12,254
Depreciation	65,606	\$ 1,121,340	1,186,946	65,367	\$ 1,132,058	1,197,425
Erosion control	438,329		438,329			
Miscellaneous	1,340		1,340	1,864		1,864
Total program expenses	\$ 1,280,671	\$ 1,121,340	\$ 2,402,011	\$ 718,907	\$ 1,132,058	\$ 1,850,965

"The accompanying notes are an integral part of this statement."

HUNTINGTON-CLEVELAND IRRIGATION COMPANY
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2016

	2015			2016		
	UNRESTRICTED OPERATIONS & MAINTENANCE	TEMPORARILY RESTRICTED SALINITY PROJECT	TOTAL 2015	UNRESTRICTED OPERATIONS & MAINTENANCE	TEMPORARILY RESTRICTED SALINITY PROJECT	TOTAL 2016
Support Services:						
Secretary Wage	\$ 29,534		\$ 29,534	\$ 27,860		\$ 27,860
Payroll Benefits	2,289		2,289	900		900
Office Rent	3,900		3,900	3,300		3,300
Accounting and Auditing	5,750		5,750	6,070		6,070
Legal Fees	11,335		11,335	13,496		13,496
Telephone and Internet	5,484		5,484	5,187		5,187
Office Supplies	2,654		2,654	4,252		4,252
Postage	1,061		1,061	1,181		1,181
Meetings	125		125			
Bank Charges and Fees	650		650	544		544
Travel	1,446		1,446	2,757		2,757
Miscellaneous	4,619		4,619	5,179		5,179
Total support services	\$ 68,847	\$...	\$ 68,847	\$ 70,726	\$...	\$ 70,726
Total expenses	\$ 1,349,518	\$ 1,121,340	\$ 2,470,858	\$ 789,633	\$ 1,132,058	\$ 1,921,691
Change in net assets before transfers	\$ 17,764	\$ (971,399)	\$ (953,635)	\$ 126,163	\$ (513,745)	\$ (387,582)
Transfers In (Out):						
Transfers In						
Transfers Out						
Total transfers in (out)	\$...	\$...	\$...	\$...	\$...	\$...
Change in net assets	\$ 17,764	\$ (971,399)	\$ (953,635)	\$ 126,163	\$ (513,745)	\$ (387,582)
Net assets, beginning of year	5,654,474	51,786,676	57,441,150	5,672,238	50,815,277	56,487,515
Net assets, end of year	\$ 5,672,238	\$ 50,815,277	\$ 56,487,515	\$ 5,798,401	\$ 50,301,532	\$ 56,099,933

"The accompanying notes are an integral part of this statement."

III. Loans

The following information on loans to and from affiliates of PacifiCorp includes the following:

- A. The month-end amounts outstanding.
- B. The highest amount outstanding during the year, separately for short-term and long-term loans.
- C. A description of the terms and conditions, including basis for interest rates.
- D. The total amount of interest charged or credited and the weighted-average interest rate.
- E. Specify the commission order(s) approving the transaction where such approval is required by law.

Loan Summary
2016

REQUIREMENTS	PACIFIC MINERALS, INC.
<p>III. For inter-company loans to / from affiliates:</p> <p>A. The month-end amounts outstanding for short-term and long-term loans:</p> <p style="padding-left: 20px;">Short-term loans:</p> <p style="padding-left: 40px;">January - December</p> <p style="padding-left: 20px;">Long-term loans:</p>	<p>(a)</p> <p>N/A</p>
<p>B. The highest amount during the year separately for short-term and long-term loans:</p> <p style="padding-left: 20px;">Maximum loan to affiliate:</p> <p style="padding-left: 40px;">Short-term loans:</p> <p style="padding-left: 60px;">Amount</p> <p style="padding-left: 60px;">Date</p> <p style="padding-left: 40px;">Maximum loan to affiliate:</p> <p style="padding-left: 60px;">Long-term loans:</p> <p style="padding-left: 80px;">Amount</p> <p style="padding-left: 80px;">Date</p> <p style="padding-left: 20px;">Maximum loan from affiliate:</p> <p style="padding-left: 40px;">Short-term loans:</p> <p style="padding-left: 60px;">Amount</p> <p style="padding-left: 60px;">Date</p> <p style="padding-left: 20px;">Maximum loan from affiliate:</p> <p style="padding-left: 40px;">Long-term loans:</p> <p style="padding-left: 60px;">Amount</p> <p style="padding-left: 60px;">Date</p>	<p>\$20,080,612</p> <p>July 1, 2016</p> <p>N/A</p> <p>N/A</p> <p>\$24,200,000</p> <p>January 19, 2016</p> <p>N/A</p> <p>N/A</p>
<p>C. A description of the terms and conditions for loans including the basis for interest rates:</p>	<p>Pursuant to the terms and conditions of the Umbrella Loan Agreement</p>
<p>D. The total amount of interest charged or credited and the weighted average rate of interest separately for short-term and long-term loans:</p> <p style="padding-left: 20px;">Short-term loans:</p> <p style="padding-left: 40px;">Interest expense charged</p> <p style="padding-left: 40px;">Interest income credited</p> <p style="padding-left: 20px;">Long-term loans:</p> <p style="padding-left: 40px;">Interest charged or credited</p>	<p>\$9,137</p> <p>21,198</p> <p>(b)</p> <p>N/A</p>
<p>E. Specify the commission order(s) approving the transaction where such approval is required by law:</p>	<p>Refer to Appendix A</p>

(a) Refer to the following schedule for the detail of month-end loan amounts outstanding.

(b) Refer to the following schedule for the detail of interest charged or credited and the rates of interest.

PacifiCorp - Pacific Minerals, Inc.
 Umbrella Loan Agreement Transactions Statement
 Pacific Minerals, Inc. ("PMI")
 2016

Month	Net Principal Advanced To PacifiCorp	Net Principal Repaid By PacifiCorp	Principal Advanced To PMI	Principal Repaid By PMI	Outstanding Month End Balance ^(a)	Interest Rate Range	Interest Expense Incurred By PacifiCorp	Interest Income Earned By PacifiCorp
Dec-15					\$ (15,237,000)			
Jan-16	\$ 39,200,000	\$ 39,437,000	\$ -	\$ -	(15,000,000)	0.6000% - 0.6500%	\$ 8,667	\$ -
Feb-16	3,100,000	18,100,000	-	-	-	0.4300% - 0.6000%	470	-
Mar-16	-	-	-	-	-	0.4300% - 0.4500%	-	-
Apr-16	-	-	6,967,000	2,562,000	4,405,000	0.4500% - 0.4500%	-	1,348
May-16	-	-	8,304,612	-	12,709,612	0.4500% - 0.4500%	-	4,696
Jun-16	-	-	6,000,000	2,829,000	15,880,612	0.4500% - 0.5500%	-	6,629
Jul-16	-	-	4,200,000	18,775,000	1,305,612	0.5000% - 0.5500%	-	5,423
Aug-16	-	-	5,800,000	7,105,612	-	0.5000% - 0.5000%	-	1,776
Sep-16	-	-	-	-	-	0.5000% - 0.5500%	-	-
Oct-16	-	-	-	-	-	0.5500% - 0.6000%	-	-
Nov-16	-	-	-	-	-	0.6000% - 0.6500%	-	-
Dec-16	-	-	7,960,000	6,288,000	1,672,000	0.6000% - 1.0000%	-	1,326
TOTAL	\$ 42,300,000	\$ 57,537,000	\$ 39,231,612	\$ 37,559,612			\$ 9,137	\$ 21,198

(a) Outstanding month-end balances advanced to PacifiCorp are shown in parentheses, if applicable.

IV. Debt Guarantees

If the parent guarantees any debt of affiliated interests, identify the entities involved, the nature of the debt, the original amount, the highest amount during the year ended December 31, 2016 and the balance as of December 31, 2016.

PacifiCorp does not guarantee the debt of its subsidiaries or any of its affiliates.

V. Other Transactions

Other transactions (utility leasing of affiliate property, affiliate leasing of utility property, utility purchase of affiliate property, material or supplies and affiliate purchase of utility property, material or supplies) are as follows:

Other transactions are included in Section II. Transactions.

VI. Employee Transfers

By affiliate and job title, provide the total number of executive, management and professional/technical employees transferred to and from the utility. By affiliate, provide the total number of other employees transferred to and from the utility.

**Report of PacifiCorp Employee Transfers to Affiliates
During the Year Ended December 31, 2016**

Affiliate	Job Title	Count
Berkshire Hathaway Energy Company	Senior Vice President & General Counsel	1
Berkshire Hathaway Energy Company	Senior Executive Assistant	1
Berkshire Hathaway Energy Company	Senior Vice President, Legislative & Regulatory Strategy	1
NV Energy, Inc.	Senior Customer Service Associate	1
NV Energy, Inc.	Journeyman Lineman	1
NV Energy, Inc.	Manager Transport	1
NV Energy, Inc.	Senior Energy Imbalance Market Specialist	1
Total		7

**Report of PacifiCorp Employee Transfers from Affiliates
During the Year Ended December 31, 2016**

Affiliate	Job Title	Count
CalEnergy Generation Operating Company	Transport Analyst	1
Interwest Mining Company	General Manager, Mines	1
Kern River Gas Transmission Company	Administrative Services Coordinator	1
Kern River Gas Transmission Company	Apprentice Estimator	1
MidAmerican Energy Company	Control Operator	1
NV Energy, Inc.	Substation –Transmission & Distribution Dispatcher Trainee	1
NV Energy, Inc.	Vice President, Renewable Resources	1
Pacific Minerals, Inc.	Supervisor, Plant	2
Pacific Minerals, Inc.	Plant Operations & Maintenance Planner	1
Total		10

VII. Cost Allocations

A description of each intra-company cost allocation procedure and a schedule of cost amounts, by account, transferred between regulated and non-regulated segments of the company.

PacifiCorp Cost Allocation Manual For the Year Ended December 31, 2016

Overview/Introduction

This section describes the allocation of costs between PacifiCorp and its affiliates.

On March 31, 2006, PacifiCorp entered into an Intercompany Administrative Services Agreement (“IASA”) between Berkshire Hathaway Energy Company (“BHE”) and its subsidiaries. PacifiCorp is an indirect subsidiary of BHE, a holding company based in Des Moines, Iowa, owning subsidiaries that are primarily engaged in the energy business. Refer to attached IASA. The IASA covers:

- a) services by executive, management, professional, technical and clerical employees;
- b) financial services, payroll processing services, employee benefits participation, supply chain and purchase order processing services, tax and accounting services, contract negotiation and administration services, risk management services, environmental services and engineering and technical services;
- c) the use of office facilities, including but not limited to office space, conference rooms, furniture, equipment, machinery, supplies, computers and computer software, insurance policies and other personal property; and
- d) the use of automobiles, airplanes, other vehicles and equipment.

Allocation Amounts and Methods

BHE and subsidiaries to PacifiCorp

During the year ended December 31, 2016, PacifiCorp was allocated costs by its non-regulated parent company, BHE, and certain of BHE’s subsidiaries, some of which are non-regulated, as part of the administrative services under the IASA. The amounts included in Section II – Transactions include both direct charges and allocated amounts. The allocated amounts were as follows:

Name of entity	Total services received as reported in Section II - Transactions	Amount of services based on allocations
Berkshire Hathaway Energy Company	\$ 5,820,689	\$ 2,897,442
BHE Renewables, LLC	8,040	8,040
BHE U.S. Transmission, LLC	15,521	-
Kern River Gas Transmission Company	9,280	220
MHC Inc.	126,469	114,388
MidAmerican Energy Company	3,199,195	2,222,147
Nevada Power Company	48,910	-
Northern Natural Gas Company	26,008	-
NV Energy, Inc.	364,975	-
Sierra Pacific Power Company	5,217	-
Total	<u>\$ 9,624,304</u>	<u>\$ 5,242,237</u>

The amounts were allocated by BHE and its subsidiaries to PacifiCorp using nine different formulae during the year ended December 31, 2016. These formulae are as follows:

- a) A two-factor formula based on the labor and assets of each of BHE’s subsidiaries. PacifiCorp’s allocation percentage during the year ended December 31, 2016 was 28.48%.

- b) The same two-factor formula as a) above, except excluding the labor and assets of BHE's international subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2016 was 33.72%.
- c) The same two-factor formula as b) above, except excluding the labor and assets of NVE Holdings, LLC subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2016 was 41.41%.
- d) The same two-factor formula as b) above, except excluding the labor and assets of HomeServices of America, Inc. PacifiCorp's allocation percentage during the year ended December 31, 2016 was 38.05%.
- e) A same two-factor formula as a) above, except excluding the labor and assets of HomeServices of America, Inc. and BHE's Philippine subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2016 was 31.56%.
- f) The same two-factor formula as a) above, except excluding the labor and assets of NVE Holdings, LLC subsidiaries and BHE AltaLink Ltd. subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2016 was 36.42%.
- g) A formula to allocate legislative and regulatory costs to each of BHE's subsidiaries based on where the legislative and regulatory employees spent their time. PacifiCorp's allocation percentage during the year ended December 31, 2016 was 50.00%.
- h) A formula based on the gross plant asset amounts of each of BHE's subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2016 was 32.54%.
- i) A formula based on shared Information Technology infrastructure that is owned and/or managed by MidAmerican Energy Company. PacifiCorp's allocation percentage during the year ended December 31, 2016 was 2.89%.

PacifiCorp to BHE and subsidiaries

During the year ended December 31, 2016, PacifiCorp allocated costs to its non-regulated parent company, BHE, and certain of BHE's subsidiaries, some of which are non-regulated, as part of the administrative services under the IASA. The amounts included in Section II – Transactions include both direct charges and allocated amounts. The allocated amounts were as follows:

Name of entity	Total services provided as reported in Section II - Transactions	Amount of services based on allocations
Berkshire Hathaway Energy Company	\$ 92,471	\$ 34,015
BHE AltaLink Ltd.	36,413	22,379
BHE Midcontinent Transmission Holdings, LLC	41,358	-
BHE U.S. Transmission, LLC	1,496,460	9,460
CalEnergy Philippines	1,503	1,069
CalEnergy Generation Operating Company	44,455	29,621
Cordova Energy Company LLC	22	20
Electric Transmission America, LLC	1,736	-
Electric Transmission Texas, LLC	153,422	-
HomeServices of America, Inc.	182,064	165,655
Imperial Magma, LLC	1,249	-
Iowa Realty Co., Inc.	6,876	357
Kern River Gas Transmission Company	87,837	33,991
Metalogic Inspection Services Inc.	260	245
MidAmerican Central California Transco, LLC	230,156	-
MEC Construction Services Co.	8,850	178
MidAmerican Energy Company	927,942	355,667
MidAmerican Energy Services, LLC	7,360	7,097
BHE Renewables, LLC	82,627	65,371
BHE Southwest Transmission Holdings, LLC	37,039	-
Midwest Capital Group, Inc.	451	402

MTL Canyon Holdings, LLC	419,828	-
Nevada Power Company	102,746	91,343
Northern Powergrid Holdings Company	36,902	33,862
Northern Natural Gas Company	182,555	89,484
NV Energy, Inc.	136,652	1,080
Sierra Pacific Power Company	55,799	47,515
TX Jumbo Road Wind, LLC	122	-
Walnut Ridge Wind, LLC	2,999	-
Total	<u>\$ 4,378,154</u>	<u>\$ 988,811</u>

The amounts were allocated by PacifiCorp to BHE and its subsidiaries using six different formulae during the year ended December 31, 2016. These formulae are as follows:

- a) A two-factor formula based on the labor and assets of each of BHE's subsidiaries. The percentage that PacifiCorp allocated to BHE and its subsidiaries during the year ended December 31, 2016 was 71.52%.
- b) The same two-factor formula as a) above, except excluding the labor and assets of BHE's international subsidiaries. The percentage that PacifiCorp allocated to BHE and its subsidiaries during the year ended December 31, 2016 was 66.28%.
- c) The same two-factor formula as b) above, except excluding the labor and assets of NVE Holdings, LLC subsidiaries. The percentage that PacifiCorp allocated to BHE and its subsidiaries during the year ended December 31, 2016 was 58.59%.
- d) The same two-factor formula as b) above, except excluding the labor and assets of HomeServices of America, Inc. The percentage that PacifiCorp allocated to BHE and its subsidiaries during the year ended December 31, 2016 was 61.95%.
- e) A formula based on shared Information Technology infrastructure that is owned and/or managed by MidAmerican Energy Company. The percentage that PacifiCorp allocated to BHE and its subsidiaries during the year ended December 31, 2016 was 97.11%.

INTERCOMPANY ADMINISTRATIVE SERVICES AGREEMENT

BETWEEN

MIDAMERICAN ENERGY HOLDINGS COMPANY

AND

ITS SUBSIDIARIES

This Intercompany Administrative Services Agreement ("Agreement") is entered into as of March 31, 2006 by and between MidAmerican Energy Holdings Company (hereinafter the "Company") and its direct and indirect subsidiaries (hereinafter the "Subsidiaries") (each a "Party" and together the "Parties").

WHEREAS, the Company provides senior management, executive oversight and other administrative services that provide value to and benefit the Subsidiaries as entities in the consolidated group;

WHEREAS, the Subsidiaries have access to professional, technical and other specialized resources that the Company may wish to utilize from time to time in the provision of such administrative services; and

WHEREAS, the Company and Subsidiaries may desire to utilize the professional, technical and other specialized resources of certain Subsidiaries;

NOW, THEREFORE, in consideration of the premises and mutual agreements set forth herein, the Company and Subsidiaries agree as follows:

ARTICLE 1. PROVISION OF ADMINISTRATIVE SERVICES

Upon and subject to the terms of this Agreement, services will be provided between and among the Company and its Subsidiaries that are not directly applicable to the production, distribution or sale of a product or service available to customers of the Company or its subsidiaries ("Administrative Services"). For purposes of this Agreement, Administrative Services shall include, but not be limited to the following:

- a) services by executive, management, professional, technical and clerical employees;
- b) financial services, payroll processing services, employee benefits participation, supply chain and purchase order processing services, tax and accounting services, contract negotiation and administration services, risk management services, environmental services and engineering and technical services;
- c) the use of office facilities, including but not limited to office space, conference rooms, furniture, equipment, machinery, supplies, computers and computer software, insurance policies and other personal property;
- d) the use of automobiles, airplanes, other vehicles and equipment;

To obtain specialized expertise or to achieve efficiencies, the following situations may arise under this Agreement whereby Administrative Services may be provided between and among the Company and its Subsidiaries:

- a) The Company may directly assign or allocate common costs to the Subsidiaries,
- b) The Company may procure Administrative Services from the Subsidiaries for its own benefit,
- c) The Company may procure Administrative Services from the Subsidiaries for subsequent allocation to some or all Subsidiaries commonly benefiting, or
- d) The Subsidiaries may procure Administrative Services from each other.

ARTICLE 2. DEFINITIONS

For purposes of this Agreement these terms shall be defined as follows:

- (a) "Laws" shall mean any law, statute, rule, regulation or ordinance.
- (b) "State Commissions" shall mean any state public utility commission or state public service commission with jurisdiction over a rate-regulated Party.
- (c) "Subsidiaries" shall mean current and future direct and indirect majority-owned subsidiaries of the Company.

ARTICLE 3. EFFECTIVE DATE

This Agreement shall be effective as of the date set forth above; provided, however, that in those jurisdictions in which regulatory approval is required before the Agreement becomes effective, the effective date shall be as of the date of such approval.

ARTICLE 4. CHARGES AND PAYMENT

- (a) CHARGES.

Parties shall charge for Administrative Services on the following basis:

- (i) Direct Charges: The Party receiving the benefit of Administrative Services ("Recipient Party") will be charged for the operating costs incurred by the Party providing the Administrative Services ("Providing Party"), including, but not limited to, allocable salary and wages, incentives, paid absences, payroll taxes, payroll additives (insurance premiums, health care and retirement benefits and the like), direct non-labor costs, if any, and similar expenses, and reimbursement of out-of-pocket third party costs and expenses.
- (ii) Service Charges: Costs that are impractical to charge directly but for which a cost/benefit relationship can be reasonably identified. A practical allocation method will be established by Providing Party that allocates the cost of this service equitably and consistently to the Recipient Party. Any changes in the methodology will be communicated in writing to rate-regulated subsidiaries at least 180 days before the implementation of the change.
- (iii) Allocations: Costs incurred for the general benefit of the entire corporate group for which direct charging and service charges are not practical. An allocation methodology will be established and used consistently from year to year. Any changes to the methodology will be communicated

in writing to rate-regulated subsidiaries at least 180 days before the implementation of the change.

The charges constitute full compensation to the Providing Party for all charges, costs and expenses incurred by the Providing Party on behalf of the Recipient Party in providing the Administrative Services, unless otherwise specifically agreed to in writing between the Parties.

If events or circumstances arise which, in the opinion of the Parties, render the costs of providing any Administrative Services materially different from those charged under a specific rate or formula then in effect, the specific rate or formulas shall be equitably adjusted to take into account such events or changed circumstances.

Providing Parties will bill each and all Recipient Parties, as appropriate, for Administrative Services rendered under this Agreement in as specific a manner as practicable. To the extent that direct charging for services rendered is not practicable, the Providing Party may utilize allocation methodologies to assign charges for services rendered to the Recipient Party, reflective of the drivers of such costs. Such allocation methodologies may utilize allocation bases that include, but are not limited to: employee labor, employee counts, assets, and multi-factor allocation formulae.

Any cost allocation methodology for the assignment of corporate and affiliate costs will comply with the following principles:

- i) For Administrative Services rendered to a rate-regulated subsidiary of the Company or each cost category subject to allocation to rate-regulated subsidiaries by the Company, the Company must be able to demonstrate that such service or cost category is reasonable for the rate-regulated subsidiary for the performance of its regulated operations, is not duplicative of Administrative Services already being performed within the rate-regulated subsidiary, and is reasonable and prudent.
- ii) The Company and Providing Parties will have in place positive time reporting systems adequate to support the allocation and assignment of costs of executives and other relevant personnel to Recipient Parties.
- iii) Parties must maintain records sufficient to specifically identify costs subject to allocation, particularly with respect to their origin. In addition, the records must be adequately supported in a manner sufficient to justify recovery of the costs in rates of rate-regulated subsidiaries.
- iv) It is the responsibility of rate-regulated Recipient Parties to this Agreement to ensure that costs which would have been denied recovery in rates had such costs been directly incurred by the regulated operation are appropriately identified and segregated in the books of the regulated operation.

(b) PAYMENT.

(i) Each Providing Party shall bill the Recipient Party monthly for all charges pursuant to this Agreement via billings to the Company. The Company, in its capacity as a clearinghouse for

intercompany charges within the Company shall aggregate all charges and bill all Recipient Parties in a single bill. Full payment to or by the Company for all Administrative Services shall be made by the end of the calendar month following the intercompany charge. Charges shall be supported by reasonable documentation, which may be maintained in electronic form.

(ii) The Parties shall make adjustments to charges as required to reflect the discovery of errors or omissions or changes in the charges. The Parties shall conduct a true-up process at least quarterly and more frequently if necessary to adjust charges based on reconciliation of amounts charged and costs incurred. It is the intent of the Parties that such true-up process will be conducted using substantially the same process, procedures and methods of review as have been in effect prior to execution of this Agreement by the Parties.

ARTICLE 5. GENERAL OBLIGATIONS; STANDARD OF CARE

Rate-regulated Parties will comply with all applicable State and Federal Laws regarding affiliated interest transactions, including timely filing of applications and reports. The Parties agree not to cross-subsidize between the rate-regulated and non-rate-regulated businesses or between any rate-regulated businesses, and shall comply with any applicable State Commission Laws and orders. Subject to the terms of this Agreement, the Parties shall perform their obligations hereunder in a commercially reasonable manner.

ARTICLE 6. TAXES

Each Party shall bear all taxes, duties and other similar charges except taxes based upon its gross income (and any related interest and penalties), imposed as a result of its receipt of Administrative Services under this Agreement, including without limitation sales, use, and value-added taxes.

ARTICLE 7. ACCOUNTING AND AUDITING

Providing Parties and the Company shall maintain such books and records as are necessary to support the charges for Administrative Services, in sufficient detail as may be necessary to enable the Parties to satisfy applicable regulatory requirements ("Records"). All Parties:

- (a) shall provide access to the Records at all reasonable times;
- (b) shall maintain the Records in accordance with good record management practices and with at least the same degree of completeness, accuracy and care as it maintains for its own records; and
- (c) shall maintain its own accounting records, separate from the other Party's accounting records.

Subject to the provisions of this Agreement, Records supporting intercompany billings shall be available for inspection and copying by any qualified representative or agent of either Party or its affiliates, at the expense of the inquiring Party. In addition, State Commission staff or agents may audit the accounting records of Providing Parties that form the basis for charges to rate-regulated subsidiaries, to determine the reasonableness of allocation factors used by the Providing Party to assign costs to the Recipient Party and amounts subject to allocation or direct charges. All Parties agree to cooperate fully with such audits.

ARTICLE 8. BUDGETING

In advance of each budget year, Providing Parties shall prepare and deliver to the Recipient Parties, for their review and approval, a proposed budget for Administrative Services to be performed during that year. The approved schedule of budgeted Administrative Services shall evidence the base level of Administrative Services. The schedule shall be updated at least annually. Each Party shall promptly notify the other Party in writing of any requested material change to the budget costs for any service being provided.

ARTICLE 9. COOPERATION WITH OTHERS

The Parties will use good faith efforts to cooperate with each other in all matters relating to the provision and receipt of Administrative Services. Such good faith cooperation will include providing electronic access in the same manner as provided other vendors and contractors to systems used in connection with Administrative Services and using commercially reasonable efforts to obtain all consents, licenses, sublicenses or approvals necessary to permit each Party to perform its obligations. Each Party shall make available to the other Party any information required or reasonably requested by the other Party regarding the performance of any Administrative Service and shall be responsible for timely providing that information and for the accuracy and completeness of that information; provided, however, that a Party shall not be liable for not providing any information that is subject to a confidentiality obligation owed by it to a person or regulatory body other than an affiliate of it or the other Party. Either Party shall not be liable for any impairment of any Administrative Service caused by it not receiving information, either timely or at all, or by it receiving inaccurate or incomplete information from the other Party that is required or reasonably requested regarding that Administrative Service. The Parties will cooperate with each other in making such information available as needed in the event of any and all internal or external audits, utility regulatory proceedings, legal actions or dispute resolution. Each Party shall fully cooperate and coordinate with each other's employees and contractors who may be awarded other work. The Parties shall not commit or permit any act, which will interfere with the performance of or receipt of Administrative Services by either Party's employees or contractors.

ARTICLE 10. COMPLIANCE WITH ALL LAWS

Each Party shall be responsible for (i) its compliance with all laws and governmental regulations affecting its business, including but not limited to, laws and governmental regulations governing federal and state affiliate transactions, workers' compensation, health, safety and security, and (ii) any use it may make of the Administrative Services to assist it in complying with such laws and governmental regulations.

ARTICLE 11. LIMITATION OF LIABILITY

Notwithstanding any other provision of this Agreement and except for (a) rights provided under Article 12 in connection with Third-Party Claims, (b) direct or actual damages as a result of a breach of this Agreement, and (c) liability caused by a Party's negligence or willful misconduct, no Party nor their respective directors, officers, employees and agents, will have any liability to any other Party, or their respective directors, officers, employees and agents, whether based on contract, warranty, tort, strict liability, or any other theory, for any indirect, incidental, consequential, special damages, and no Party, as a result of providing a Service pursuant to this Agreement, shall be liable to any other Party for more than the cost of the Administrative Service(s) related to the claim or damages.

ARTICLE 12. INDEMNIFICATION

Each of the Parties will indemnify, defend, and hold harmless each other Party, members of its Board of Directors, officers, employees and agents against and from any third-party claims resulting from any negligence or willful misconduct of a Party's employees, agents, representatives or subcontractors of any tier, their employees, agents or representatives in the performance or nonperformance of its obligations under this Agreement or in any way related to this Agreement. If a Third-Party claim arising out of or in connection with this Agreement results from negligence of multiple Parties (including their employees, agents, suppliers and subcontractors), each Party will bear liability with respect to the Third-Party Claim in proportion to its own negligence.

ARTICLE 13. DISPUTE RESOLUTION

The Parties shall promptly resolve any conflicts arising under this Agreement and such resolution shall be final. If applicable, adjustments to the charges will be made as required to reflect the discovery of errors or omissions in the charges. If the Parties are unable to resolve any service, performance or budget issues or if there is a material breach of this Agreement that has not been corrected within ninety (90) days, representatives of the affected Parties will meet promptly to review and resolve those issues in good faith.

ARTICLE 14. TERMINATION FOR CONVENIENCE

A Party may terminate its participation in this Agreement either with respect to all, or with respect to any one or more, of the Administrative Services provided hereunder at any time and from time to time, for any reason or no reason, by giving notice of termination at least sixty (60) days in advance of the effective date of the termination to enable the other Party to adjust its available staffing and facilities. In the event of any termination with respect to one or more, but less than all, Administrative Services, this Agreement shall continue in full force and effect with respect to any Administrative Services not terminated hereby. If this Agreement is terminated in whole or in part, the Parties will cooperate in good faith with each other in all reasonable respects in order to effect an efficient transition and to minimize the disruption to the business of all Parties, including the assignment or transfer of the rights and obligations under any contracts. Transitional assistance service shall include organizing and delivering records and documents necessary to allow continuation of the Administrative Services, including delivering such materials in electronic forms and versions as reasonably requested by the Party.

ARTICLE 15. CONFIDENTIAL INFORMATION/NONDISCLOSURE

To the fullest extent allowed by law, the provision of any Administrative Service or reimbursement for any Administrative Service provided pursuant to this Agreement shall not operate to impair or waive any privilege available to either Party in connection with the Administrative Service, its provision or reimbursement for the Administrative Service.

All Parties will maintain in confidence Confidential Information provided to each other in connection with this Agreement and will use the Confidential Information solely for the purpose of carrying out its obligations under this Agreement. The term Confidential Information means any oral or written information, (including without limitation, computer programs, code, macros or instructions) which is made available to the Company, its

Subsidiaries or one of its representatives, regardless of the manner in which such information is furnished. Confidential Information also includes the following:

a. All Information regarding the Administrative Services, including, but not limited to, price, costs, methods of operation and software, shall be maintained in confidence.

b. Systems used to perform the Administrative Services provided hereunder are confidential and proprietary to the Company, its Subsidiaries or third parties. Both Parties shall treat these systems and all related procedures and documentation as confidential and proprietary to the Company, its Subsidiaries or its third party vendors.

c. All systems, procedures and related materials provided to either Party are for its internal use only and only as related to the Administrative Services or any of the underlying systems used to provide the Administrative Services.

Notwithstanding anything in this Article 15 to the contrary, the term "Confidential Information" does not include any information which (i) at the time of disclosure is generally available to and known by the public (other than as a result of an unpermitted disclosure made directly or indirectly by a Party), (ii) was available to a Party on a non-confidential basis from another source (provided that such source is not or was not bound by a confidentiality agreement with a Party or had any other duty of confidentiality to a Party), or (iii) has been independently acquired or developed without violating any of the obligations under this Agreement.

The Parties shall use good faith efforts at the termination or expiration of this Agreement to ensure that all user access and passwords are cancelled.

All Confidential Information supplied or developed by a Party shall be and remain the sole and exclusive property of the Party who supplied or developed it.

ARTICLE 16. PERMITTED DISCLOSURE

Notwithstanding provisions of this Agreement to the contrary, each Party may disclose Confidential Information (i) to the extent required by a State Commission, a court of competent jurisdiction or other governmental authority or otherwise as required by law, including without limitation disclosure obligations imposed under the federal securities laws, provided that such Party has given the other Party prior notice of such requirement when legally permissible to permit the other Party to take such legal action to prevent the disclosure as it deems reasonable, appropriate or necessary, or (ii) on a "need-to-know" basis under an obligation of confidentiality to its consultants, legal counsel, affiliates, accountants, banks and other financing sources and their advisors.

ARTICLE 17. SUBCONTRACTORS

To the extent provided herein, the Parties shall be fully responsible for the acts or omissions of any subcontractors of any tier and of all persons employed by such subcontractors and shall maintain complete

control over all such subcontractors. It being understood and agreed that not anything contained herein shall be deemed to create any contractual relation between the subcontractor of any tier and the Parties.

ARTICLE 18. NONWAIVER

The failure of a Party to insist upon or enforce strict performance of any of the terms of this Agreement or to exercise any rights herein shall not be construed as a waiver or relinquishment to any extent of its right to enforce such terms or rights on any future occasion.

ARTICLE 19. SEVERABILITY

Any provision of this Agreement prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement.

ARTICLE 20. ENTIRE AGREEMENT/DOCUMENTS INCORPORATED BY REFERENCE


All understandings, representations, warranties, agreements and any referenced attachments, if any, existing between the Parties regarding the subject matter hereof are merged into this Agreement, which fully and completely express the agreement of the Parties with respect to the subject matter hereof.

ARTICLE 21. OTHER AGREEMENTS

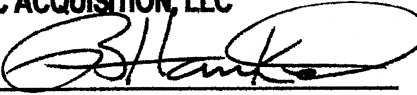
This Agreement does not address or govern the Parties' relationship involving: (a) the tax allocation agreement nor (b) any other relationships not specifically identified herein. All such relationships not addressed or governed by this Agreement will be governed and controlled by a separate agreement or tariff specifically addressing and governing those relationships or by applicable Laws or orders.

This Agreement has been duly executed on behalf of the Parties as follows:

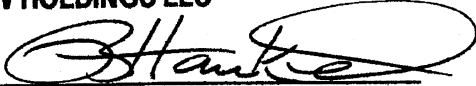
MIDAMERICAN ENERGY HOLDINGS COMPANY

By: 
Patrick J. Goodman
Title: Sr. Vice President & Chief Financial Officer


NNGC ACQUISITION, LLC

By: 
Brian K. Hankel
Title: Vice President & Treasurer


PPW HOLDINGS LLC

By: 
Brian K. Hankel
Title: Vice President & Treasurer

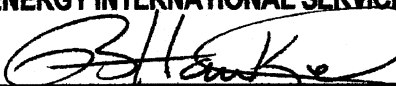
KR HOLDING, LLC

By: 
Patrick J. Goodman
Title: Vice President & Treasurer

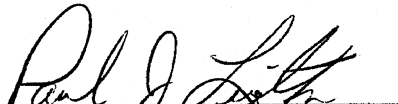
CE ELECTRIC UK FUNDING COMPANY

By: 
Patrick J. Goodman
Title: Director


CALENERGY INTERNATIONAL SERVICES, INC.

By: 
Brian K. Hankel
Title: Vice President & Treasurer

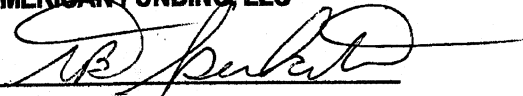
HOME SERVICES OF AMERICA, INC.

By: 
Paul J. Leighton
Title: Asst Secretary

CE CASECNAN WATER AND ENERGY COMPANY, INC.

By: 
Brian K. Hankel
Title: Vice President & Treasurer

MIDAMERICAN FUNDING, LLC

By: 
Thomas B. Specketer
Title: Vice President & Controller



**FIRST AMENDED INTERCOMPANY MUTUAL ASSISTANCE AGREEMENT
BY AND BETWEEN RATE-REGULATED SUBSIDIARIES OF
BERKSHIRE HATHAWAY ENERGY COMPANY**

This First Amended Intercompany Mutual Assistance Agreement ("Agreement") is entered into by and between rate-regulated public utility subsidiaries of Berkshire Hathaway Energy Company ("Company") (each a "Party" and together the "Parties") effective March 15, 2015.

WHEREAS, the Parties, with the exception of Nevada Power Company DBA NV Energy and Sierra Pacific Power Company DBA NV Energy, are the signatories of the Intercompany Mutual Assistance Agreement by and between Rate-regulated Subsidiaries of MidAmerican Energy Holdings Company effective February 15, 2011 and wish to amend and restate their agreement in the manner provided herein; and

WHEREAS, each of the Parties is either an electric public utility providing services to captive customers within franchised service areas, a transmission company, a local distribution company or an interstate pipeline company and each of the Parties is subject to the oversight of regulatory authorities, such as a state public utility commission and/or the Federal Energy Regulatory Commission ("FERC"); and

WHEREAS, a Party may from time to time require mutual aid or assistance from another Party, which may involve the provision of goods, services and/or specialized resources for temporary emergency purposes, or the emergency interchange of equipment or goods by one Party to the other, as long as provided without detriment to the providing Party's public utility obligations ("mutual assistance"); and

WHEREAS, as rate-regulated entities, the Parties have obligations to provide reasonably adequate service, and from time to time may be able to assist one another in providing mutual assistance; and

WHEREAS, the Parties are some of the signatories of the Intercompany Administrative Services Agreement ("IASA") by and between the Company and its subsidiaries, which permits the sharing of professional, technical and other specialized resources, and wish to enter into an agreement that will allow mutual assistance on similar terms; and

WHEREAS, in order to minimize any potential for cross-subsidization or affiliate abuse and ensure appropriate oversight, participation under this Agreement is limited to Rate-Regulated Subsidiaries of the Company; and

WHEREAS, effective May 1, 2014, the name of Company was changed from MidAmerican Energy Holdings Company to Berkshire Hathaway Energy Company; and

WHEREAS, from time to time, additional Rate-Regulated Subsidiaries may wish to execute the Agreement in order to provide and take advantage of mutual assistance provided hereunder.

NOW, THEREFORE, in consideration of the premises and mutual agreements set forth herein, the Parties wish to amend the Agreement and agree as follows:

ARTICLE 1. PROVISION OF MUTUAL ASSISTANCE

Upon and subject to the terms of this Agreement, one Party ("Providing Party") may provide mutual assistance to another Party ("Recipient Party").

Availability and provision of mutual assistance shall be governed by an applicable mutual aid agreement, which may be the Edison Electric Institute Mutual Aid Agreement, the Western Region Mutual Assistance Agreement, or such other agreement as may be customarily used in the region where the mutual assistance is to be provided ("applicable mutual aid agreement"), the provisions of which are incorporated in this Agreement by reference. To the extent not inconsistent with obligations under the applicable mutual aid agreement, the provisions of this Agreement shall govern the conduct and obligations of the Parties.

The Parties recognize that there may be several phases of mutual assistance activity, including pre-notification of a potential need for assistance, a request for information related to the costs and availability of mutual assistance, and actual mobilization. Only actual mobilization is considered the provision of mutual assistance.

ARTICLE 2. DEFINITIONS

For purposes of this Agreement, these terms shall be defined as follows:

- (a) "Laws" shall mean any law, statute, rule, regulation or ordinance of any governmental authority, which may be without limitation a federal agency, a state or a governmental subdivision.
- (b) "Rate-Regulated Subsidiary" shall mean a subsidiary of the Company ("subsidiary") that is regulated by one or more State Commissions and/or FERC in the subsidiary's capacity of providing regulated public utility services to captive customers within franchised public utility service areas, FERC jurisdictional transmission service or which is an interstate pipeline or local distribution company as defined by FERC.
- (c) "State Commissions" shall mean any state public utility commission or state public service commission with utility regulatory jurisdiction over a Rate-Regulated Subsidiary.

ARTICLE 3. EFFECTIVE DATE

This Agreement shall be effective as of the date of execution; provided, however, that in those jurisdictions in which regulatory approval is required before the Agreement becomes effective, the effective date shall be as of the date of such approval.

ARTICLE 4. CHARGES AND PAYMENT

The Parties recognize that charges for mutual assistance will begin when a request for mobilization of assistance is submitted to the Providing Party by the Recipient Party. Costs associated with pre-notification of a potential need or gathering of information associated with a request for mutual assistance will not be charged to the Recipient Party.

Providing Parties will bill Recipient Parties, as appropriate, for mutual assistance rendered under this Agreement in as specific a manner as practicable.

Payments for mutual assistance shall be governed by an applicable mutual aid agreement, which may be the Edison Electric Institute Mutual Aid Agreement, the Western Region Mutual Assistance Agreement, or such other agreement as may be customarily used in the region where the mutual assistance is to be provided.

In the event that the mutual assistance consists only of the interchange of a good in an emergency circumstance, the Recipient Party shall reimburse the Providing Party the replacement cost of the transferred good. Any associated services shall be reimbursed by the Recipient Party as a direct charge, service charge or allocation as applicable pursuant to the IASA.

ARTICLE 5. STANDARD OF CARE

The Parties will comply with all applicable Laws regarding affiliated interest transactions, including timely filing of regulatory filings and reports. The Parties agree not to cross-subsidize and shall comply with any applicable Laws and State Commission, FERC or other applicable orders. Subject to the terms of this Agreement, the Parties shall perform their obligations hereunder in a commercially reasonable manner.

ARTICLE 6. TAXES

Each Party shall bear all taxes, duties and other similar charges, except taxes based upon its gross income (and any related interest and penalties), imposed as a result of its receipt of mutual assistance under this Agreement, including without limitation sales, use and value-added taxes.

ARTICLE 7. ACCOUNTING AND AUDITING

Providing Parties shall maintain such books and records as are necessary to support the charges for mutual assistance, in sufficient detail as may be necessary to enable the Parties to satisfy applicable regulatory requirements ("Records"). All Parties:

- (a) Shall provide access to the Records at all reasonable times;
- (b) Shall maintain the Records in accordance with good record management practices and with at least the same degree of completeness, accuracy and care as it maintains for its own records; and
- (c) Shall maintain its own accounting records, separate from the other Parties' accounting records.

Subject to the provisions of this Agreement, Records supporting mutual assistance billings shall be available for inspection and copying by any qualified representative or agent of a Party, at the expense of the inquiring Party. In addition, FERC or State Commission staff or agents may audit the accounting records of Providing Parties that form the basis for charges to Rate-Regulated Subsidiaries. All Parties agree to cooperate fully with such audits.

ARTICLE 8. COOPERATION WITH OTHERS

The Parties will use good faith efforts to cooperate with each other in all matters related to the provision and receipt of mutual assistance. Such good faith cooperation will include providing electronic access in the same manner as provided other vendors and contractors to systems used in connection with mutual



assistance and using commercially reasonable efforts to obtain all consents, licenses, sublicenses or approvals necessary to permit each Party to perform its obligations.

Each Party shall make available to another Party any information required or reasonably requested by the Party related to the provision of mutual assistance and shall be responsible for timely provision of said information and for the accuracy and completeness of the information; provided, however, that a Party shall not be liable for not providing any information that is subject to a confidentiality obligation or a regulatory obligation not to disclose or be a conduit of information owned by it to a person or regulatory body other than the other Party.

The Parties will cooperate with each other in making such information available as needed in the event of any and all internal or external audits, utility regulatory proceedings, legal actions, or dispute resolution.

Each Party shall fully cooperate and coordinate with each other's employees and contractors in the performance or provision of mutual assistance. The Parties shall not commit or permit any act that will interfere with the performance or receipt of mutual assistance by any Party's employees or contractors.

ARTICLE 9. COMPLIANCE WITH ALL LAWS

Each Party shall be responsible for (a) its compliance with all Laws affecting its business, including, but not limited to, laws and governmental regulations governing federal and state affiliate transactions, workers' compensation, health, safety and security; (b) pursuant to the provisions of the applicable mutual aid agreement, any use it may make of the mutual assistance to assist it in complying with such laws and governmental regulations; and (c) compliance with FERC's Standards of Conduct, Market-Based Rate Affiliate Restrictions, and any comparable restrictions imposed by FERC or a State Commission.

ARTICLE 10. DISPUTE RESOLUTION

The Parties shall promptly resolve any conflicts arising under this Agreement and such resolution shall be final. If applicable, adjustments to the charges will be made as required to reflect the discovery of errors or omissions in the charges. If the Parties are unable to resolve any service, performance or budget issues or if there is a material breach of this Agreement that has not been corrected within ninety (90) days, representatives of the affected Parties will meet promptly to review and resolve those issues in good faith.

ARTICLE 11. TERMINATION FOR CONVENIENCE

A Party may terminate its participation in this Agreement either with respect to all, or part, of the mutual assistance provided hereunder at any time and from time to time, for any reason or no reason, by giving notice of termination to the other Party as soon as reasonably possible.

ARTICLE 12. CONFIDENTIAL INFORMATION/NONDISCLOSURE

To the fullest extent allowed by law, the provision of mutual assistance or reimbursement for mutual assistance provided pursuant to this Agreement shall not operate to impair or waive any privilege available to any Party in connection with the mutual assistance, its provision or reimbursement thereof.

The Parties will handle all information exchanged in the course of performing mutual assistance in accordance with requirements for documenting and handling critical infrastructure information as defined by the North American Electric Reliability Corporation Critical Infrastructure Protection Standards and will further comply with non-disclosure requirements of other applicable regulations.

The Parties shall use good faith efforts at the termination or expiration of this Agreement to ensure that any user access and passwords related to this Agreement are terminated.

ARTICLE 13. PERMITTED DISCLOSURE

Notwithstanding provisions of this Agreement to the contrary, each Party may disclose confidential information:

- (a) To the extent required by a State Commission, FERC, a court of competent jurisdiction or other governmental authority or otherwise as required by Laws, including without limitation disclosure obligations imposed under federal securities laws, provided that such Party has given the other Party prior notice of such requirement when legally permissible to permit the other Party to take such legal action to prevent the disclosure as it deems reasonable, appropriate or necessary; or
- (b) On a "need-to-know" basis under an obligation of confidentiality to its consultants, legal counsel, affiliates, accountants, banks and other financing sources and their advisors.

ARTICLE 14. SUBCONTRACTORS

To the extent provided herein, the Parties shall be fully responsible for the acts or omissions of any subcontractors of any tier and of all persons employed by such subcontractors and shall maintain complete control over all such subcontractors, it being understood and agreed that anything not contained herein



shall not be deemed to create any contractual relation between the subcontractor of any tier and the Parties.

ARTICLE 15. NONWAIVER

The failure of a Party to insist upon or enforce strict performance of any of the terms of this Agreement or to exercise any rights herein shall not be construed as a waiver or relinquishment to any extent of its right to enforce such terms or rights on any future occasion.

ARTICLE 16. SEVERABILITY

Any provision of this Agreement prohibited or rendered unenforceable by operation of law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement.

ARTICLE 17. ENTIRE AGREEMENT/DOCUMENTS INCORPORATED BY REFERENCE

All understandings, representations, warranties, agreements and referenced attachments, if any, existing between the Parties regarding the subject matter hereof are merged into this Agreement, which fully and completely express the agreement of the Parties with respect to the subject matter hereof.

ARTICLE 18. ADDITION OF RATE-REGULATED SUBSIDIARIES

Without further action by the Parties, effective on the date of its execution, a Rate-Regulated Subsidiary may enter into the Agreement and be bound thereby.



This Agreement has been duly executed on behalf of the Parties as follows:

KERN RIVER GAS TRANSMISSION COMPANY

By: _____

Title: _____

Name: _____

Date: _____

MIDAMERICAN ENERGY COMPANY

By: _____

Title: _____

Name: _____

Date: _____

NORTHERN NATURAL GAS COMPANY

By: _____

Title: _____

Name: _____

Date: _____

PACIFICORP

By: 

Title: VP, CFO Pacificorp

Name: Nikki Kobliha

Date: 11/2/2015

**NEVADA POWER COMPANY
DBA NV ENERGY**

By: _____

Title: _____

Name: _____

Date: _____

**SIERRA PACIFIC POWER COMPANY
DBA NV ENERGY**

By: _____

Title: _____

Name: _____

Date: _____



This Agreement has been duly executed on behalf of the Parties as follows:

KERN RIVER GAS TRANSMISSION COMPANY

By: [Signature]
Title: VP - Finance
Name: Joseph Lillis
Date: 7/9/15

MIDAMERICAN ENERGY COMPANY

By: _____
Title: _____
Name: _____
Date: _____

NORTHERN NATURAL GAS COMPANY

By: _____
Title: _____
Name: _____
Date: _____

PACIFICORP

By: _____
Title: _____
Name: _____
Date: _____

**NEVADA POWER COMPANY
DBA NV ENERGY**

By: _____
Title: _____
Name: _____
Date: _____

**SIERRA PACIFIC POWER COMPANY
DBA NV ENERGY**

By: _____
Title: _____
Name: _____
Date: _____



This Agreement has been duly executed on behalf of the Parties as follows:

KERN RIVER GAS TRANSMISSION COMPANY

By: _____

Title: _____

Name: _____

Date: _____

MIDAMERICAN ENERGY COMPANY

By: Tom Specketer

Title: VP & CFO

Name: Tom Specketer

Date: March 11, 2015

NORTHERN NATURAL GAS COMPANY

By: _____

Title: _____

Name: _____

Date: _____

PACIFICORP

By: _____

Title: _____

Name: _____

Date: _____

**NEVADA POWER COMPANY
DBA NV ENERGY**

By: _____

Title: _____

Name: _____

Date: _____

**SIERRA PACIFIC POWER COMPANY
DBA NV ENERGY**

By: _____

Title: _____

Name: _____

Date: _____



This Agreement has been duly executed on behalf of the Parties as follows:

KERN RIVER GAS TRANSMISSION COMPANY

By: _____

Title: _____

Name: _____

Date: _____

MIDAMERICAN ENERGY COMPANY

By: _____

Title: _____

Name: _____

Date: _____

NORTHERN NATURAL GAS COMPANY

By: *[Signature]* _____

Title: VP. Finance _____

Name: Joseph Lillo _____

Date: 3/25/15 _____

PACIFICORP

By: _____

Title: _____

Name: _____

Date: _____

**NEVADA POWER COMPANY
DBA NV ENERGY**

By: _____

Title: _____

Name: _____

Date: _____

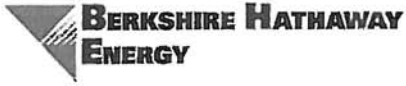
**SIERRA PACIFIC POWER COMPANY
DBA NV ENERGY**

By: _____

Title: _____

Name: _____

Date: _____



This Agreement has been duly executed on behalf of the Parties as follows:

KERN RIVER GAS TRANSMISSION COMPANY

By: _____

Title: _____

Name: _____

Date: _____

MIDAMERICAN ENERGY COMPANY

By: _____

Title: _____

Name: _____

Date: _____

NORTHERN NATURAL GAS COMPANY

By: _____

Title: _____

Name: _____

Date: _____

PACIFICORP

By: _____

Title: _____

Name: _____

Date: _____

**NEVADA POWER COMPANY
DBA NV ENERGY**

By: E. Kevin Bethel

Title: SVP, Chief Financial Officer

Name: E. Kevin Bethel

Date: 3/12/15

**SIERRA PACIFIC POWER COMPANY
DBA NV ENERGY**

By: E. Kevin Bethel

Title: SVP, Chief Financial Officer

Name: E. Kevin Bethel

Date: 3/12/15

Appendix A

**December 31, 2016 Affiliated Interest Report
Oregon Public Utility Commission orders approving transactions with affiliates**

Affiliate	Order No.	Docket No.	Date Approved
American Express Travel Related Services Company, Inc.	14-144	UI 346	April 30, 2014
BNSF Railway Company	07-323	UI 269	July 27, 2007
	09-504	UI 288	December 28, 2009
	10-090	UI 292	March 11, 2010
	10-089	UI 293	March 11, 2010
	12-348	UI 325	September 13, 2012
	14-210	UI 347	June 10, 2014
	15-358	UI 359	November 3, 2015
Environment One Corporation	17-169	UI 381	May 16, 2017
FlightSafety International, Inc.	15-357	UI 358	November 3, 2015
Graver Water System, Inc. (a Marmon Holdings, Inc. company)	16-121	UI 367	March 23, 2016
International Business Machines Corporation	12-227	UI 321	June 19, 2012
	12-228	UI 322	June 19, 2012
	12-385	UI 327	October 9, 2012
	13-100	UI 330	March 26, 2013
	13-284	UI 337	August 6, 2013
	13-486	UI 341	December 19, 2013
	13-487	UI 342	December 19, 2013
	14-052	UI 344	February 18, 2014
	16-451	UI 380	November 23, 2016
Marmon Utility LLC (a Marmon Holdings, Inc. company)	11-189	UI 308	June 16, 2011
	11-191	UI 309	June 16, 2011
	11-200	UI 311	June 22, 2011
	16-164	UI 368	May 3, 2016

Affiliate	Order No.	Docket No.	Date Approved
Marmon/Keystone Corporation	12-143	UI 319	April 24, 2012
The Kerite Company (a Marmon Holdings, Inc. company)	10-409	UI 303	October 18, 2010
National Indemnity Company	13-322	UI 339	September 3, 2013
NetJets, Inc.	08-166	UI 279	March 13, 2008
Phillips 66	16-009	UI 360	January 12, 2016
U.S. Bancorp Investments, Inc.	14-251	UI 349	July 8, 2014
U.S. Bank National Association	16-184	UI 370	May 20, 2016
	16-366	UI 375	September 27, 2016
	16-463	UI 377	December 7, 2016
Wells Fargo Home Equity	08-165	UI 277	March 12, 2008
Wells Fargo Securities, LLC	10-450	UI 302	November 15, 2010
	11-423	UI 315	October 26, 2011
	12-142	UI 318	April 24, 2012
	12-457	UI 328	November 26, 2012
	13-283	UI 336	August 6, 2013
	13-371	UI 340	October 16, 2013
	14-251	UI 349	July 8, 2014
	14-396	UI 351	November 12, 2014
	15-183	UI 356	June 9, 2015
	16-463	UI 377	December 7, 2016
Berkshire Hathaway Energy Company	06-305	UI 249	June 19, 2006
MidAmerican Funding, LLC	06-305	UI 249	June 19, 2006
MHC Inc.	06-305	UI 249	June 19, 2006
MidAmerican Energy Company	06-305	UI 249	June 19, 2006
	11-190	UI 310	June 16, 2011
	11-400	UI 316	October 6, 2011

Affiliate	Order No.	Docket No.	Date Approved
	15-134	UI 316(1)	April 28, 2015
Midwest Capital Group, Inc.	06-305	UI 249	June 19, 2006
MEC Construction Services Co.	06-305	UI 249	June 19, 2006
HomeServices of America, Inc.	06-305	UI 249	June 19, 2006
	07-269	UI 264	June 11, 2007
	08-165	UI 277	March 12, 2008
	11-053	UI 304	February 11, 2011
	16-163	UI 369	May 3, 2016
Iowa Realty Co., Inc.	06-305	UI 249	June 19, 2006
Kern River Gas Transmission Company	06-305	UI 249	June 19, 2006
	06-683	UI 255	December 26, 2006
	07-080	UI 258	March 5, 2007
	09-503	UI 255 (1)	December 28, 2009
	11-400	UI 316	October 6, 2011
	15-134	UI 316(1)	April 28, 2015
	16-099	UI 361	March 8, 2016
MidAmerican Energy Holdings Company Insurance Services Ltd.	06-498	UI 253	August 24, 2006
Northern Natural Gas Company	06-305	UI 249	June 19, 2006
	11-400	UI 316	October 6, 2011
	15-134	UI 316(1)	April 28, 2015
NV Energy, Inc.	06-305	UI 249	June 19, 2006
	15-134	UI 316(1)	April 28, 2015
Nevada Power Company	06-305	UI 249	June 19, 2006
	15-134	UI 316(1)	April 28, 2015
Sierra Pacific Power Company	06-305	UI 249	June 19, 2006
	15-134	UI 316(1)	April 28, 2015

Affiliate	Order No.	Docket No.	Date Approved
Northern Powergrid Holdings Company	06-305	UI 249	June 19, 2006
CalEnergy Philippines	06-305	UI 249	June 19, 2006
CE Casecnan Water and Energy Company, Inc.	06-305	UI 249	June 19, 2006
BHE Renewables, LLC	06-305	UI 249	June 19, 2006
Bishop Hill Interconnection LLC	06-305	UI 249	June 19, 2006
CalEnergy Generation Operating Company	06-305	UI 249	June 19, 2006
Cordova Energy Company LLC	06-305	UI 249	June 19, 2006
Pinyon Pines Wind I, LLC	06-305	UI 249	June 19, 2006
Pinyon Pines Wind II, LLC	06-305	UI 249	June 19, 2006
Solar Star California XIX, LLC	06-305	UI 249	June 19, 2006
Solar Star California XX, LLC	06-305	UI 249	June 19, 2006
Topaz Solar Farms, LLC	06-305	UI 249	June 19, 2006
TX Jumbo Road Wind, LLC	06-305	UI 249	June 19, 2006
Wailuku Investment, LLC	06-305	UI 249	June 19, 2006
BHE U.S. Transmission, LLC	06-305	UI 249	June 19, 2006
MTL Canyon Holdings, LLC	06-305	UI 249	June 19, 2006
BHE Southwest Transmission Holdings, LLC	06-305	UI 249	June 19, 2006
BHE Midcontinent Transmission Holdings, LLC	06-305	UI 249	June 19, 2006
Electric Transmission America, LLC	06-305	UI 249	June 19, 2006
Electric Transmission Texas, LLC	06-305	UI 249	June 19, 2006
MidAmerican Central California Transco LLC	06-305	UI 249	June 19, 2006
Midwest Power Transmission Iowa, LLC	06-305	UI 249	June 19, 2006
Midwest Power Transmission Illinois, LLC	06-305	UI 249	June 19, 2006
BHE AltaLink Ltd.	06-305	UI 249	June 19, 2006
BHE Canada, LLC	06-305	UI 249	June 19, 2006
MEHC Canada Transmission GP Corporation	06-305	UI 249	June 19, 2006

Affiliate	Order No.	Docket No.	Date Approved
Metalogic Inspection Services Inc.	06-305	UI 249	June 19, 2006
Metalogic Inspection Services, LLC	15-018	UI 353	January 28, 2015
MEHC Investment, Inc.	06-305	UI 249	June 19, 2006
M&M Ranch Acquisition Company, LLC	06-305	UI 249	June 19, 2006
Racom Corporation	11-276	UI 313	July 29, 2011
PPW Holdings LLC	06-305	UI 249	June 19, 2006
PacifiCorp Foundation	04-028	UI 223	January 15, 2004
Energy West Mining Company	91-513	UI 105	April 12, 1991
Interwest Mining Company	09-261	UI 286	July 7, 2009
Fossil Rock Fuels, LLC	11-482	UI 317	December 6, 2011
Pacific Minerals, Inc. (Umbrella Loan Agreement)	06-353	UI 1 (11)	July 7, 2006
Bridger Coal Company	01-472	UI 189	June 12, 2001
	15-218	UI 357	July 21, 2015
Trapper Mining Inc.	94-1550	UI 140	October 12, 1994
Huntington Cleveland Irrigation Company	10-353	UI 300	September 10, 2010
	14-209	UI 345	June 10, 2014
	16-344	UI 374	September 13, 2016
Ferron Canal & Reservoir Company	10-345	UI 301	September 2, 2010
	16-247	UI 301 (1)	July 5, 2016
Cottonwood Creek Consolidated Irrigation Company	11-332	UI 312	August 26, 2011
	16-345	UI 373	September 13, 2016