



**ROCKY MOUNTAIN  
POWER**

A DIVISION OF PACIFICORP

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201 South Main, Suite 2300  
Salt Lake City, Utah 84111

May 29, 2008

**VIA OVERNIGHT DELIVERY**

IDAHO PUBLIC  
UTILITIES COMMISSION

Idaho Public Utilities Commission  
472 West Washington Street  
Boise, ID 83720-5983

Attention: Jean Jewell  
Commission Secretary

**RE: Affiliated Interest Report for the Calendar Year 2007**

In accordance with MidAmerican Energy Holdings Company Transaction Commitment #8 approved in Docket No. PAC-E-05-08, enclosed for filing is PacifiCorp's (d.b.a. Rocky Mountain Power) Affiliated Interest Report for calendar year 2007. By copy of this letter other parties are being provided notice of this filing.

It is respectfully requested that all formal correspondence and Staff requests regarding this filing be addressed to the following:

By E-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By Fax: (503) 813-6060

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, OR 97232

Informal inquiries regarding this filing, or requests for copies of the report, can be directed to Ted Weston at (801) 220-2963.

Sincerely,

*Jeffrey K. Larsen/jk*

Jeffrey K. Larsen  
Vice President, Regulation

Enclosures

cc w/o enclosure: Service List in Docket No. PAC-E-05-08

I hereby certify that on this 29th day of May, 2007, I caused to be served, via E-mail, if address available or U.S mail, a true and correct copy of PacifiCorp's cover letter accompanying the Compliance Filing, Affiliated Interest Report for Calendar Year 2007 (Commitment #8) in Case No. PAC-E-05-8.

|                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Andrea L. Kelley<br>Vice President, Regulation<br>PACIFICORP<br>825 NE Multnomah, Suite 2000<br>Portland, OR 97232<br>E-Mail: <a href="mailto:andrea.kelly@pacificorp.com">andrea.kelly@pacificorp.com</a>                                                             | R. Scott Pasley<br>Assistant General Counsel<br>J.R. Simplot Company<br>P.O. Box 27<br>Boise, ID 83702<br>E-Mail: <a href="mailto:spasley@simplot.com">spasley@simplot.com</a>                                                |
| Douglas L. Anderson<br>Senior Vice President & General Counsel<br>MidAmerican Energy Holdings Company<br>302 S. 36 <sup>th</sup> Street, Suite 400<br>Omaha, NE 68131<br>E-Mail: <a href="mailto:danderson@midamerican.com">danderson@midamerican.com</a>              | Mark C. Moench<br>Senior Vice President – Law<br>MidAmerican Energy Holdings Company<br>201 S. Main, Suite 2300<br>Salt Lake City, UT 84111<br>E-Mail: <a href="mailto:mcmoench@midamerican.com">mcmoench@midamerican.com</a> |
| Eric L. Olsen<br>Racine, Olson, Nye, Budge & Bailey,<br>Chartered<br>201 E. Center<br>P.O. Box 1391<br>Pocatello, ID 83204-1391<br>E-Mail: <a href="mailto:elo@racinelaw.net">elo@racinelaw.net</a>                                                                    | Anthony Yankel<br>29814 Lake Road<br>Bay Village, OH 44140<br>E-Mail: <a href="mailto:tony@yankel.net">tony@yankel.net</a>                                                                                                    |
| Barton L. Kline, Senior Attorney<br>Monica B. Moen, Attorney II<br>Idaho Power Company<br>P.O. Box 70<br>Boise, ID 83707<br>E-Mail: <a href="mailto:bkline@idahopower.com">bkline@idahopower.com</a><br><a href="mailto:mmoen@idahopower.com">mmoen@idahopower.com</a> | John R. Gale<br>Vice President, Regulatory Affairs<br>Idaho Power Company<br>P.O. Box 70<br>Boise, ID 83707<br>e-Mail: <a href="mailto:rgale@idahopower.com">rgale@idahopower.com</a>                                         |
| Brad M. Purdy<br>Attorney at Law<br>2019 N. 17 <sup>th</sup> Street<br>Boise, ID 83702<br>E-Mail: <a href="mailto:bmpurdy@hotmail.com">bmpurdy@hotmail.com</a>                                                                                                         | Arthur F. Sandack, Esq.<br>8 E. Broadway, Suite 510<br>Salt Lake City, UT 84111<br>E-Mail: <a href="mailto:asandack@itower.net">asandack@itower.net</a>                                                                       |

|                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Donald L. Howell, II<br/>Deputy Attorney General<br/>Idaho Public Utilities Commission<br/>472 W. Washington (83702)<br/>P.O. Box 83720<br/>Boise, ID 83720-0074<br/>E-Mail: <a href="mailto:donlhowell@puc.idaho.gov">donlhowell@puc.idaho.gov</a></p> | <p>Terri Carlock<br/>Accounting Supervisor<br/>Idaho Public Utilities Commission<br/>472 W. Washington<br/>P.O. Box 83720<br/>Boise, ID 83720-0074<br/>E-Mail: <a href="mailto:terri.carlock@puc.idaho.gov">terri.carlock@puc.idaho.gov</a></p> |
| <p>Randall C. Budge<br/>Racine, Olson, Nye, Budge &amp; Bailey,<br/>Chartered<br/>201 E. Center<br/>P.O. Box 1391<br/>Pocatello, ID 83204-1391<br/>E-Mail: <a href="mailto:rcb@racinelaw.net">rcb@racinelaw.net</a></p>                                    | <p>James R. Smith<br/>Monsanto Company<br/>Highway 34 North<br/>P.O. Box 816<br/>Soda Springs, ID 83726<br/>E-Mail: <a href="mailto:jim.r.smith@monsanto.com">jim.r.smith@monsanto.com</a></p>                                                  |
| <p>Katie Iverson<br/>Brubaker &amp; Associates<br/>17244 W. Cordova Court<br/>Surprise, AZ 85387<br/>E-Mail: <a href="mailto:kiverson@consultbai.com">kiverson@consultbai.com</a></p>                                                                      | <p>Alan Herzfeld<br/>Herzfeld &amp; Piotrowski LLP<br/>713 W. Franklin<br/>P.O. Box 2864<br/>Boise, ID 83701<br/>E-Mail: <a href="mailto:aherzfeld@hpllp.net">aherzfeld@hpllp.net</a></p>                                                       |
| <p>David Hawk<br/>Director, Energy Natural Resources<br/>J.R. Simplot Company<br/>P.O. Box 27<br/>Boise, ID 83702<br/>E-Mail: <a href="mailto:dhawk@simplot.com">dhawk@simplot.com</a></p>                                                                 | <p>R. Scott Pasley<br/>Assistant General Counsel<br/>J.R. Simplot Company<br/>P.O. Box 27<br/>Boise, ID 83702<br/>E-Mail: <a href="mailto:spasley@simplot.com">spasley@simplot.com</a></p>                                                      |

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Kelly Young  
Coordinator, Administrative Services

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# **PacifiCorp**

## **Affiliated Interest Report**

**For the year ended December 31, 2007**

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## ORGANIZATION

PacifiCorp (which includes PacifiCorp and its subsidiaries) is a United States electric utility company serving 1.7 million retail customers, including residential, commercial, industrial and other customers in portions of the states of Utah, Oregon, Wyoming, Washington, Idaho and California. PacifiCorp owns, or has interests in, a number of thermal, hydroelectric, wind-powered and geothermal generating plants, as well as electric transmission and distribution assets. PacifiCorp also buys and sells electricity on the wholesale market with public and private utilities, energy marketing companies and incorporated municipalities. The regulatory commission in each state approves rates for retail electric sales within that state.

The subsidiaries of PacifiCorp support its electric utility operations by providing coal-mining facilities and services and environmental remediation 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's electric generation, commercial and energy trading, and coal-mining functions are operated under the trade name PacifiCorp Energy.

MidAmerican Energy Holdings Company ("MEHC") controls substantially all of PacifiCorp's voting securities, which include both common and preferred stock. MEHC, a holding company owning subsidiaries that are principally engaged in energy businesses, is a consolidated subsidiary of Berkshire Hathaway Inc. ("Berkshire Hathaway").

The following pages provide organization charts of PacifiCorp's and Berkshire Hathaway's subsidiaries.

## Subsidiaries of PacifiCorp as of December 31, 2007

| Name of Subsidiary                               | Approximate Percentage of Voting Securities Owned | State of Jurisdiction of Incorporation or Organization |
|--------------------------------------------------|---------------------------------------------------|--------------------------------------------------------|
| Centralia Mining Company                         | 100%                                              | Washington                                             |
| Energy West Mining Company                       | 100%                                              | Utah                                                   |
| Glenrock Coal Company                            | 100%                                              | Wyoming                                                |
| Intermountain Geothermal Company                 | (a)                                               | -                                                      |
| - Steam Reserve Corporation                      | (b)                                               | -                                                      |
| Interwest Mining Company                         | 100%                                              | Oregon                                                 |
| Pacific Minerals, Inc.                           | 100%                                              | Wyoming                                                |
| - Bridger Coal Co., a joint venture              | 66.67%                                            | Wyoming                                                |
| Trapper Mining, Inc.                             | 21.40%                                            | Colorado                                               |
| PacifiCorp Environmental Remediation Company (c) | 100%                                              | Oregon                                                 |
| PacifiCorp Future Generations, Inc. (d)          | 100%                                              | Oregon                                                 |
| - Canopy Botanicals, Inc. (d)                    | 77.85%                                            | Delaware                                               |
| - Canopy Botanicals, SRL (d)                     | 49%                                               | Bolivia                                                |
| PacifiCorp Investment Management, Inc.           | 100%                                              | Oregon                                                 |

(a) Intermountain Geothermal Company ("IGC") was merged with and into its direct parent, PacifiCorp, on August 31, 2007, with PacifiCorp surviving.

(b) Steam Reserve Corporation was merged with and into its direct parent, IGC on August 30, 2007, with IGC surviving.

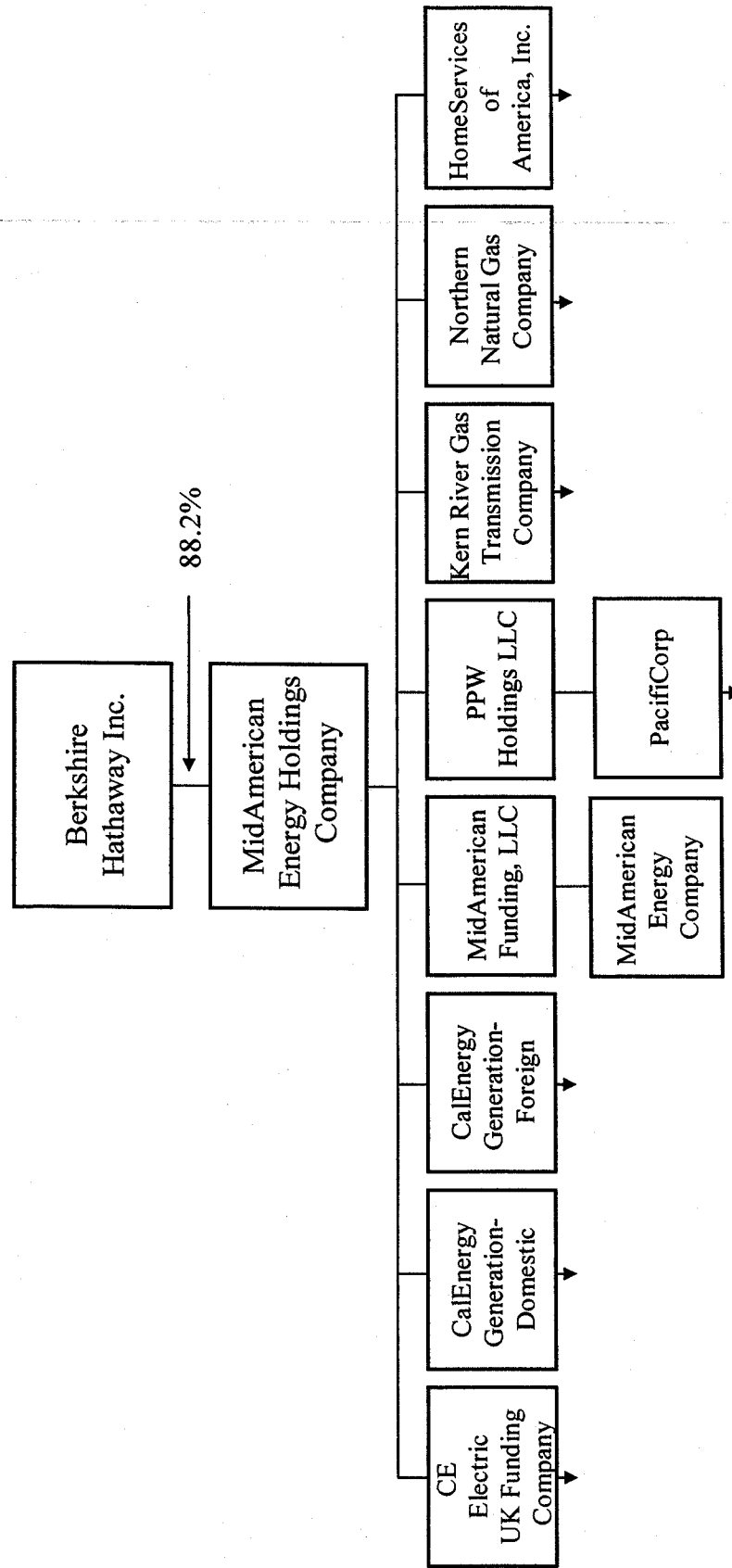
(c) PacifiCorp Environmental Remediation Company ("PERCo") became a wholly owned subsidiary of PacifiCorp in April 2007, when PacifiCorp acquired the outstanding 10% minority interest in PERCo from CH2M HILL.

(d) PacifiCorp Future Generations, Inc. owns an interest in Canopy Botanicals, Inc., which holds an interest in Canopy Botanicals, SRL relating to rain forest carbon emission credits.

# MidAmerican Energy Holdings Company\*

## Organization Chart

As of December 31, 2007



\*This chart does not include all subsidiaries of affiliates or PacifiCorp.

## **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 directors during the year ended December 31, 2007**
- 2. PacifiCorp officers during the year ended December 31, 2007**
- 3. Regional Advisory Boards**
- 4. PacifiCorp officers and directors with affiliated positions as of December 31, 2007**

The positions listed for the directors and officers in each of these sections are those positions that were held as of December 31, 2007. Changes that occurred subsequent to December 31, 2007 are annotated.

**PacifiCorp Directors and Officers During the Year Ended December 31, 2007**

| <b>Director</b>     | <b>Address</b>                                                    | <b>From</b> | <b>To</b> | <b>Director at<br/>12/31/2007</b> | <b>Elected During the<br/>Year Ended<br/>12/31/2007</b> | <b>Resigned During the<br/>Year Ended<br/>12/31/2007</b> |
|---------------------|-------------------------------------------------------------------|-------------|-----------|-----------------------------------|---------------------------------------------------------|----------------------------------------------------------|
| Gregory E. Abel (a) | 666 Grand Avenue<br>Suite DM29<br>Des Moines, Iowa 50309          | 3/21/2006   |           | Yes                               | No                                                      | No                                                       |
| Douglas L. Anderson | 302 South 36 <sup>th</sup> Street<br>Omaha, Nebraska 68131        | 3/21/2006   |           | Yes                               | No                                                      | No                                                       |
| William J. Fehrman  | 1407 West North Temple<br>Suite 320<br>Salt Lake City, Utah 84116 | 3/21/2006   | 8/30/2007 | No                                | No                                                      | Yes                                                      |
| Brent E. Gale       | 825 NE Multnomah<br>Suite 2000<br>Portland, Oregon 97232          | 3/21/2006   |           | Yes                               | No                                                      | No                                                       |
| Patrick J. Goodman  | 666 Grand Avenue<br>Suite DM29<br>Des Moines, Iowa 50309          | 3/21/2006   |           | Yes                               | No                                                      | No                                                       |
| Natalie L. Hocken   | 825 NE Multnomah<br>Suite 2000<br>Portland, Oregon 97232          | 8/30/2007   |           | Yes                               | Yes                                                     | No                                                       |
| Nolan E. Karras     | 4695 South 1900 West #3<br>Roy, Utah 84067                        | 2/17/1993   | 7/25/2007 | No                                | No                                                      | Yes                                                      |

| Director            | Address                                                           | From      | To        | Director at<br>12/31/2007 | Elected During the<br>Year Ended<br>12/31/2007 | Resigned During the<br>Year Ended<br>12/31/2007 |
|---------------------|-------------------------------------------------------------------|-----------|-----------|---------------------------|------------------------------------------------|-------------------------------------------------|
| A. Robert Lasich    | 1407 West North Temple<br>Suite 320<br>Salt Lake City, Utah 84116 | 3/21/2006 |           | Yes                       | No                                             | No                                              |
| David J. Mendez (b) | 825 NE Multnomah<br>Suite 1900<br>Portland, Oregon 97232          | 8/30/2007 |           | Yes                       | Yes                                            | No                                              |
| Mark C. Moench      | 201 South Main<br>Suite 2400<br>Salt Lake City, Utah 84140        | 3/21/2006 |           | Yes                       | No                                             | No                                              |
| R. Patrick Reiten   | 825 NE Multnomah<br>Suite 2000<br>Portland, Oregon 97232          | 9/15/2006 |           | Yes                       | No                                             | No                                              |
| A. Richard Walje    | 201 South Main<br>Suite 2400<br>Salt Lake City, Utah 84140        | 7/2/2001  |           | Yes                       | No                                             | No                                              |
| Stanley K. Watters  | 825 NE Multnomah<br>Suite 2000<br>Portland, Oregon 97232          | 3/21/2006 | 3/16/2007 | No                        | No                                             | Yes                                             |

(a) 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 MidAmerican Energy Holdings Company level.

(b) David J. Mendez resigned as an officer and director of PacifiCorp effective February 29, 2008.

## Officers

| Title                                                                | Officer             | Address                                                           | From      | To        | Officer at<br>12/31/2007 | Elected During the<br>Year Ended<br>12/31/2007 | Resigned During<br>the Year Ended<br>12/31/2007 |
|----------------------------------------------------------------------|---------------------|-------------------------------------------------------------------|-----------|-----------|--------------------------|------------------------------------------------|-------------------------------------------------|
| Chairman of the Board of<br>Directors and Chief<br>Executive Officer | Gregory E. Abel (a) | 666 Grand Avenue<br>Suite DM29<br>Des Moines, Iowa 50309          | 3/21/2006 |           | Yes                      | No                                             | No                                              |
| President, PacifiCorp<br>Energy                                      | William J. Fehrman  | 1407 West North Temple<br>Suite 320<br>Salt Lake City, Utah 84116 | 3/21/2006 | 8/30/2007 | No                       | No                                             | Yes                                             |
| President, PacifiCorp<br>Energy                                      | A. Robert Lasich    | 1407 West North Temple<br>Suite 320<br>Salt Lake City, Utah 84116 | 8/30/2007 |           | Yes                      | Yes                                            | No                                              |
| President, Rocky Mountain<br>Power                                   | A. Richard Walje    | 201 South Main<br>Suite 2400<br>Salt Lake City, Utah 84140        | 3/21/2006 |           | Yes                      | No                                             | No                                              |
| President, Pacific Power                                             | R. Patrick Reiten   | 825 NE Multnomah<br>Suite 2000<br>Portland, Oregon 97232          | 9/15/2006 |           | Yes                      | No                                             | No                                              |
| Senior Vice President and<br>Chief Financial Officer                 | David J. Mendez (b) | 825 NE Multnomah<br>Suite 1900<br>Portland, Oregon 97232          | 8/22/2006 |           | Yes                      | No                                             | No                                              |
| Senior Vice President                                                | Stanley K. Watters  | 825 NE Multnomah<br>Suite 2000<br>Portland, Oregon 97232          | 9/15/2006 | 3/16/2007 | No                       | No                                             | Yes                                             |
| Vice President and<br>Treasurer                                      | Bruce N. Williams   | 825 NE Multnomah<br>Suite 1900<br>Portland, Oregon 97232          | 5/3/2003  |           | Yes                      | No                                             | No                                              |

(a) 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 MidAmerican Energy Holdings Company level.

(b) David J. Mendez resigned as an officer and director of PacifiCorp effective February 29, 2008.

**Regional Advisory Boards - Members as of December 31, 2007**

**Pacific Power Advisory Board**

William B. Douglas

Angela Boothroyd

Don Skundrick

Nancy Wilgenbusch

**Rocky Mountain Power Advisory Board**

Stan Lockhart

Vickie McCall

Henry Hewitt

Golden Lindford

In August 2006, the PacifiCorp Board of Directors passed a resolution authorizing that the three regional advisory boards: the Pacific Advisory Board, the Utah Advisory Board, and the Wyoming Advisory Board be replaced with two advisory boards: the Pacific Power Advisory Board and the Rocky Mountain Power Advisory Board. The structure of the advisory boards was changed in order to be in line with PacifiCorp's corporate structure.

**PacifiCorp Officers and Directors with Affiliated Positions as of December 31, 2007**

**Abel, Gregory E. (a)**

|                                     |                                       |
|-------------------------------------|---------------------------------------|
| MidAmerican Energy Holdings Company | Director                              |
| MidAmerican Energy Holdings Company | President and Chief Operating Officer |

**Anderson, Douglas L.**

|                                     |                       |
|-------------------------------------|-----------------------|
| MidAmerican Energy Holdings Company | Senior Vice President |
|-------------------------------------|-----------------------|

**Gale, Brent E.**

|                                     |                       |
|-------------------------------------|-----------------------|
| PacifiCorp Future Generations, Inc. | Director              |
| PacifiCorp Foundation               | Director              |
| MidAmerican Energy Holdings Company | Senior Vice President |
| PacifiCorp Future Generations, Inc. | President             |

**Goodman, Patrick J.**

|                                     |                                                   |
|-------------------------------------|---------------------------------------------------|
| MidAmerican Energy Holdings Company | Senior Vice President and Chief Financial Officer |
|-------------------------------------|---------------------------------------------------|

**Moench, Mark C.**

|                       |          |
|-----------------------|----------|
| PacifiCorp Foundation | Director |
|-----------------------|----------|

**Walje, A. Richard**

|                       |          |
|-----------------------|----------|
| PacifiCorp Foundation | Director |
|-----------------------|----------|

**Williams, Bruce N.**

|                                              |                         |
|----------------------------------------------|-------------------------|
| Centralia Mining Company                     | Treasurer               |
| Energy West Mining Company                   | Treasurer               |
| Glenrock Coal Company                        | Treasurer               |
| Interwest Mining Company                     | Treasurer               |
| Pacific Minerals, Inc.                       | Treasurer               |
| PacifiCorp Environmental Remediation Company | Treasurer               |
| PacifiCorp Future Generations, Inc.          | Treasurer               |
| PacifiCorp Investment Management, Inc.       | President and Treasurer |
| PacifiCorp Foundation                        | Treasurer               |

(a) In April 2008, Gregory E. Abel was named Chief Executive Officer of MidAmerican Energy Holdings Company.

## **I. B. Changes in Ownership**

**Changes in successive ownership between the regulated utility and affiliated interest.**

**Changes in Affiliated Interests Ownership Report  
For the year ended December 31, 2007**

| Parent Entity                    | Affiliate                                              | Domestic Foreign | State of Incorporation | Action                                                                                           | Date of Action  | Date of Incorporation |
|----------------------------------|--------------------------------------------------------|------------------|------------------------|--------------------------------------------------------------------------------------------------|-----------------|-----------------------|
| Intermountain Geothermal Company | Steam Reserve Corporation                              | Domestic         | Delaware               | Steam Reserve Corporation was merged into Intermountain Geothermal Company.                      | August 30, 2007 | November 10, 1982     |
| PacifiCorp                       | Intermountain Geothermal Company                       | Domestic         | Delaware               | Intermountain Geothermal Company was merged into PacifiCorp.                                     | August 31, 2007 | March 21, 2006        |
| PacifiCorp                       | PacifiCorp Environmental Remediation Company ("PERCo") | Domestic         | Delaware               | PacifiCorp acquired the outstanding 10% minority interest in PERCo from CH2M HILL in April 2007. | April 19, 2007  | December 18, 1996     |

## **I. C. Affiliate Descriptions**

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

### **Summary of Narrative Descriptions for each Affiliated Entity**

Affiliated interests of PacifiCorp are defined by ORS 757.015 as having two or more officers or directors in common with PacifiCorp, or by meeting the ownership requirements of 5% 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, 2007. Services provided by PacifiCorp and charged to affiliates related primarily to administrative services, financial statement preparation and direct-assigned employees. Services provided by affiliates and charged to PacifiCorp related primarily to the transportation of natural gas and coal, captive insurance services, relocation services, and administrative services provided under the Intercompany Administrative Services Agreement among MEHC and its affiliates. Refer to Section V for a discussion of the tax allocation agreement between PacifiCorp and its affiliates.

**Burlington Northern Santa Fe ("BNSF")** - Berkshire Hathaway Inc. acquired a 17% ownership interest in BNSF during 2007. PacifiCorp has long-term coal transportation contracts with BNSF, including indirect payables related to a generation plant that is jointly owned by PacifiCorp and another utility.

**MidAmerican Energy Holdings Company ("MEHC")** - a holding company owning subsidiaries that are principally engaged in energy businesses. MEHC is a consolidated subsidiary of Berkshire Hathaway Inc. As of January 31, 2008, Berkshire Hathaway Inc. owned 88.2% of MEHC's voting common stock (87.4% on a diluted basis). The remainder of MEHC's common stock is owned by a private investor group.

**HomeServices of America, Inc.** - a wholly owned subsidiary of MEHC. HomeServices of America, Inc. is the second largest full-service residential real estate brokerage firm in the United States. HomeServices of America, Inc. provides relocation services and traditional residential real estate brokerage services to employees of PacifiCorp and its affiliate companies.

**Kern River Gas Transmission Company** - a wholly owned subsidiary of MEHC that provides services for the transportation of natural gas to certain of PacifiCorp's generating plants.

**MEHC Insurance Services Ltd. ("MISL")** - a wholly owned subsidiary of MEHC that provides a captive insurance program to PacifiCorp. MISL covers all or significant portions of the property damage and liability insurance deductibles for many of PacifiCorp's current insurance policies, as well as overhead distribution and transmission line property damage. PacifiCorp has no equity interest in MISL and has no obligation to contribute equity or loan funds to MISL. Premium amounts are established based on a combination of actuarial assessments and market rates to cover loss claims, administrative expenses and appropriate reserves, but are capped through regulatory commitments through December 31, 2010. Certain costs associated with the program are prepaid and amortized through March 20, 2008.

**MidAmerican Energy Company ("MEC")** - a wholly owned subsidiary of MEHC. MEC is principally engaged in the business of generating, transmitting, distributing and selling electricity and in distributing, selling and transporting natural gas. Additionally, MEC transports natural gas through its distribution system for a number of end-use customers who have independently secured their supply of natural gas. In addition to retail sales and natural gas transportation, MEC sells electric energy and natural gas to other utilities, marketers and municipalities. MEC provided storm damage repair assistance in the form of labor and technical support to PacifiCorp's transmission and power delivery facilities during calendar year 2006. The final payment to MEC for these services was made in January 2007. No services were provided by MEC to PacifiCorp in 2007.

**PPW Holdings LLC** - the holding company for PacifiCorp and direct subsidiary of MEHC. PPW Holdings is the tax paying entity for PacifiCorp.

**Energy West Mining Company** - a wholly owned subsidiary of PacifiCorp engaged in coal-mining related services at the company-owned mines in Emery County, Utah.

**Interwest Mining Company** - a wholly owned subsidiary of PacifiCorp providing administrative, technical and management services to Energy West Mining Company and Pacific Minerals, Inc.

**PacifiCorp Environmental Remediation Company** - a wholly owned subsidiary of PacifiCorp that evaluates, manages and resolves certain environmental remediation activities.

**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 affiliates have operations, employees or interests. PacifiCorp Foundation operates as the Rocky Mountain Power Foundation and the Pacific Power Foundation.

**Pacific Minerals, Inc. ("PMI")** - a wholly owned subsidiary of PacifiCorp which owns 66.67% of Bridger Coal Co., the coal mining joint venture with Idaho Energy Resources Company ("IREC"), a subsidiary of Idaho Power Company.

**Bridger Coal Co.** - Coal mining joint venture with PMI and IREC. PMI owns 66.67% and IREC owns 33.33% of Bridger Coal Co.

**Trapper Mining, Inc.** - PacifiCorp owns a 21.40% interest in Trapper Mining, Inc., which operates a coal mine at the Craig "mine-mouth" operation (generating station located next to mine) outside Craig, Colorado. The remaining ownership in Trapper Mining, Inc. is as follows: Salt River Project Agricultural Improvement and Power District (32.10%), Tri-State Generation and Transmission Association, Inc. (26.57%), and Platte River Power Authority (19.93%).

## **I. D. Financial Statements**

Financial statements or trial balances for the year ended December 31, 2007 are included in Section II for each affiliate.

## **I. D. II. Transactions**

The following summary of services rendered by the regulated utility to the affiliate and vice versa includes:

1. A description of the nature of services in reasonable detail.
2. The annual charges by type of service (exclude all joint/common costs reported in Section VII).
3. The basis used to determine pricing.
4. In total, for each affiliated entity whether receiving or providing services:
  - A. Total charges or billings.
  - B. The cost of providing service, including applicable taxes.
  - C. The margin of charges over costs.
  - D. Assets allocable to the services.
  - E. The achieved rate of return on assets.
  - F. The accounts charged.

**Affiliated Interest Transactions Summary (a)**  
**For the Year Ended December 31, 2007**

| Requirements                                                                                      | Burlington Northern Santa Fe             | MidAmerican Energy Holdings Company | HomeServices of America, Inc.                                                      |
|---------------------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------|------------------------------------------------------------------------------------|
| A. A description of the nature of services in reasonable detail:                                  | Long-term coal transportation contracts. | Consulting and labor services.      | Residential real estate brokerage and relocation services to PacifiCorp employees. |
| B. The annual charges by type of service (exclude all joint/common costs reported in Section VII) |                                          |                                     |                                                                                    |
| PacifiCorp Received Services                                                                      | \$31,094,292                             | \$9,142,601 (c)                     | \$3,525,026                                                                        |
| PacifiCorp Provided Services                                                                      | None                                     | \$1,785,620 (c)                     | None                                                                               |
| C. The basis used to determine pricing:                                                           |                                          |                                     |                                                                                    |
| PacifiCorp Received Services                                                                      | (b)                                      | (c)                                 | (d)                                                                                |
| PacifiCorp Provided Services                                                                      | None                                     | (c)                                 | None                                                                               |
| D. In total for each affiliated entity whether receiving or providing services, show:             |                                          |                                     |                                                                                    |
| Receiving Services:                                                                               |                                          |                                     |                                                                                    |
| 1. Total charges or billings                                                                      | \$31,094,292                             | \$9,142,601 (c)                     | \$3,525,026(d)                                                                     |
| 2. Cost of providing service, incl. tax                                                           | \$31,094,292                             | \$9,142,601 (c)                     | (d)                                                                                |
| 3. The margin of charges over costs                                                               | None                                     | None                                | None                                                                               |
| 4. Assets allocable to the services                                                               | None                                     | None                                | None                                                                               |
| 5. Achieved rate of return on assets                                                              | None                                     | None                                | None                                                                               |
| 6. Account charged                                                                                | None                                     | Refer to detail under separate tab  | Refer to detail under separate tab                                                 |
| Providing Services:                                                                               |                                          |                                     |                                                                                    |
| 1. Total charges or billings                                                                      | None                                     | \$1,785,620 (c)                     | None                                                                               |
| 2. Cost of providing service, incl. tax                                                           | None                                     | \$1,785,620 (c)                     | None                                                                               |
| 3. The margin of charges over costs                                                               | None                                     | None                                | None                                                                               |
| 4. Assets allocable to the services                                                               | None                                     | None                                | None                                                                               |
| 5. Achieved rate of return on assets                                                              | None                                     | None                                | None                                                                               |
| 6. Account charged                                                                                | None                                     | Refer to detail under separate tab  | Refer to detail under separate tab                                                 |
| Allocation                                                                                        | Refer to detail under separate tab       | Refer to detail under separate tab  | Refer to detail under separate tab                                                 |

- (a) Detailed information for each affiliated company is included following this summary.
- (b) Coal transportation services are priced at market rate under long-term contracts.
- (c) Refer to Section VII for further discussion of transactions between PacifiCorp and MEHC and between PacifiCorp and MEC, pursuant to the Intercompany Administrative Services Agreement.
- (d) As discussed in the Application requesting approval of relocation services contract with HomeServices of America, Inc., an affiliated interest filed with the Oregon Public Utility Commission (the "OPUC") on April 3, 2007, Docket No. UI 264, HomeServices of America, Inc. charges PacifiCorp a flat fee per relocation for its services, plus the actual costs of services procured from its vendors and service providers. The OPUC approved this application on June 11, 2007, Order No. 07-269.

**Affiliated Interest Transactions Summary (a)**  
**For the Year Ended December 31, 2007**

| Requirements                                                                                      | Kern River Gas Transmission Company                                                                        | MEHC Insurance Services Ltd.                                                                                                                                             | MidAmerican Energy Company                                                           |
|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| A. A description of the nature of services in reasonable detail:                                  | Natural gas transportation services.                                                                       | Captive insurance covering significant portions of the property damage and liability insurance deductibles for PacifiCorp.                                               | Labor services, including storm damage assistance.                                   |
| B. The annual charges by type of service (exclude all joint/common costs reported in Section VII) |                                                                                                            |                                                                                                                                                                          |                                                                                      |
| PacifiCorp Received Services                                                                      | \$3,055,765                                                                                                | \$7,207,221 (b)                                                                                                                                                          | \$151,696 (c)                                                                        |
| PacifiCorp Provided Services                                                                      | None                                                                                                       | None                                                                                                                                                                     | \$372,169 (c)                                                                        |
| C. The basis used to determine pricing:                                                           |                                                                                                            |                                                                                                                                                                          |                                                                                      |
| PacifiCorp Received Services                                                                      | Gas transportation services are priced at tariffs established by the Federal Energy Regulatory Commission. | Premium amounts are established based on a combination of actuarial assessments and market rates to cover loss claims, administrative expenses and appropriate reserves. | MEC charges are based on labor, benefits and operational cost. No profit is allowed. |
| PacifiCorp Provided Services                                                                      | None                                                                                                       | None                                                                                                                                                                     | None (c)                                                                             |
| D. In total for each affiliated entity whether receiving or providing services, show:             |                                                                                                            |                                                                                                                                                                          |                                                                                      |
| Receiving Services:                                                                               |                                                                                                            |                                                                                                                                                                          |                                                                                      |
| 1. Total charges or billings                                                                      | \$3,055,765                                                                                                | \$7,207,221 (b)                                                                                                                                                          | \$151,696 (c)                                                                        |
| 2. Cost of providing service, incl. tax                                                           | \$3,055,765                                                                                                | \$7,207,221 (b)                                                                                                                                                          | \$151,696 (c)                                                                        |
| 3. The margin of charges over costs                                                               | Charged at tariff –<br>Refer to C above                                                                    | Refer to financial statements                                                                                                                                            | None                                                                                 |
| 4. Assets allocable to the services                                                               | None                                                                                                       | None                                                                                                                                                                     | None                                                                                 |
| 5. Achieved rate of return on assets                                                              | Charged at tariff –<br>Refer to C above                                                                    | None                                                                                                                                                                     | None                                                                                 |
| 6. Account charged                                                                                | Refer to detail under separate tab                                                                         | Refer to detail under separate tab                                                                                                                                       | Refer to detail under separate tab                                                   |
| Providing Services:                                                                               |                                                                                                            |                                                                                                                                                                          |                                                                                      |
| 1. Total charges or billings                                                                      | None                                                                                                       | None                                                                                                                                                                     | \$372,169 (c)                                                                        |
| 2. Cost of providing service, incl. tax                                                           | None                                                                                                       | None                                                                                                                                                                     | \$372,169 (c)                                                                        |
| 3. The margin of charges over costs                                                               | None                                                                                                       | None                                                                                                                                                                     | None                                                                                 |
| 4. Assets allocable to the services                                                               | None                                                                                                       | None                                                                                                                                                                     | None                                                                                 |
| 5. Achieved rate of return on assets                                                              | None                                                                                                       | None                                                                                                                                                                     | None                                                                                 |
| 6. Account charged                                                                                | Refer to detail under separate tab                                                                         | Refer to detail under separate tab                                                                                                                                       | Refer to detail under separate tab                                                   |
| Allocation                                                                                        | Refer to detail under separate tab                                                                         | Refer to detail under separate tab                                                                                                                                       | Refer to detail under separate tab                                                   |

(a) Detailed information for each affiliated company is included following this summary.

(b) At December 31, 2007, PacifiCorp had a prepaid balance of \$1,195,867 for captive property insurance and a prepaid balance of \$340,311 for captive liability insurance. The \$7,207,221 in services received represents prepaid amounts amortized to expense during the year. PacifiCorp also had \$11,200,112 in claims receivable at year end.

(c) Refer to Section VII for further discussion of transactions between PacifiCorp and MEHC and between PacifiCorp and MEC, pursuant to the Intercompany Administrative Services Agreement.

**Affiliated Interest Transactions Summary (a)**  
**For the Year Ended December 31, 2007**

| Requirements                                                                                      | PPW Holdings LLC                   | Energy West Mining Company                                                                                                                 | Intermountain Geothermal Company (c)                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. A description of the nature of services in reasonable detail:                                  | Holding company                    | Energy West Mining Company provides coal from company-owned mines in Emery County, Utah to the Huntington, Hunter and Carbon power plants. | Intermountain Geothermal Company controls 94.5% of the steam rights associated with the Roosevelt Hot Spring geothermal field that provides steam to PacifiCorp's Blundell geothermal plant. |
| B. The annual charges by type of service (exclude all joint/common costs reported in Section VII) |                                    |                                                                                                                                            |                                                                                                                                                                                              |
| PacifiCorp Received Services                                                                      | None (b)                           | \$101,050,936                                                                                                                              | \$3,317,948                                                                                                                                                                                  |
| PacifiCorp Provided Services                                                                      | None (b)                           | \$3,383,371                                                                                                                                | None                                                                                                                                                                                         |
| C. The basis used to determine pricing:                                                           |                                    |                                                                                                                                            |                                                                                                                                                                                              |
| PacifiCorp Received Services                                                                      | None (b)                           | Charges are based on actual and reasonable costs incurred by Energy West Mining Company in mining. No profit is allowed.                   | Intermountain Geothermal Company charges are based on labor, benefits and operational cost. No profit is allowed.                                                                            |
| PacifiCorp Provided Services                                                                      | None (b)                           | PacifiCorp provides electricity at tariff.                                                                                                 | None                                                                                                                                                                                         |
| D. In total for each affiliated entity whether receiving or providing services, show:             |                                    |                                                                                                                                            |                                                                                                                                                                                              |
| Receiving Services:                                                                               |                                    |                                                                                                                                            |                                                                                                                                                                                              |
| 1. Total charges or billings                                                                      | None (b)                           | \$101,050,936                                                                                                                              | \$3,317,948                                                                                                                                                                                  |
| 2. Cost of providing service, incl. tax                                                           | None (b)                           | \$101,050,936                                                                                                                              | \$3,317,948                                                                                                                                                                                  |
| 3. The margin of charges over costs                                                               | None                               | None                                                                                                                                       | None                                                                                                                                                                                         |
| 4. Assets allocable to the services                                                               | None                               | None                                                                                                                                       | None                                                                                                                                                                                         |
| 5. Achieved rate of return on assets                                                              | None                               | None                                                                                                                                       | None                                                                                                                                                                                         |
| 6. Account charged                                                                                | None                               | Refer to detail under separate tab                                                                                                         | Refer to detail under separate tab                                                                                                                                                           |
| Providing Services:                                                                               |                                    |                                                                                                                                            |                                                                                                                                                                                              |
| 1. Total charges or billings                                                                      | None (b)                           | \$3,383,371                                                                                                                                | None                                                                                                                                                                                         |
| 2. Cost of providing service, incl. tax                                                           | None (b)                           | \$3,383,371                                                                                                                                | None                                                                                                                                                                                         |
| 3. The margin of charges over costs                                                               | None                               | Electricity at tariff – refer to C above                                                                                                   | None                                                                                                                                                                                         |
| 4. Assets allocable to the services                                                               | None                               | None                                                                                                                                       | None                                                                                                                                                                                         |
| 5. Achieved rate of return on assets                                                              | None                               | Electricity at tariff – refer to C above                                                                                                   | None                                                                                                                                                                                         |
| 6. Account charged                                                                                | None                               | Refer to detail under separate tab                                                                                                         | Refer to detail under separate tab                                                                                                                                                           |
| Allocation                                                                                        | Refer to detail under separate tab | Refer to detail under separate tab                                                                                                         | Refer to detail under separate tab                                                                                                                                                           |

- (a) Detailed information for each affiliated company is included following this summary.
- (b) Refer to Section V for a discussion of transactions between PacifiCorp and PPW Holdings LLC.
- (c) Intermountain Geothermal Company was merged with and into its direct parent, PacifiCorp, on August 31, 2007, with PacifiCorp surviving. PacifiCorp provided notice of the corporate restructuring to the Oregon Public Utility Commission, the Wyoming Public Service Commission, the Idaho Public Utilities Commission and the Utah Public Service Commission

**Affiliated Interest Transactions Summary (a)**  
**For the Year Ended December 31, 2007**

| Requirements                                                                                      | Interwest Mining Company                                                                                                                                                       | PacifiCorp Environmental Remediation Company                                                                                                                                   | PacifiCorp Foundation                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. A description of the nature of services in reasonable detail:                                  | Interwest Mining Company provides Pacific Minerals, Inc., Glenrock Coal Company and Energy West Mining Company with technical, management and administrative services.         | Environmental consulting services, labor and benefits.                                                                                                                         | Consulting and labor services.                                                                                                                                               |
| B. The annual charges by type of service (exclude all joint/common costs reported in Section VII) |                                                                                                                                                                                |                                                                                                                                                                                |                                                                                                                                                                              |
| PacifiCorp Received Services                                                                      | \$137,533                                                                                                                                                                      | \$81,270                                                                                                                                                                       | None                                                                                                                                                                         |
| PacifiCorp Provided Services                                                                      | \$684,513                                                                                                                                                                      | \$258,899 (b)                                                                                                                                                                  | \$177,301                                                                                                                                                                    |
| C. The basis used to determine pricing:                                                           |                                                                                                                                                                                |                                                                                                                                                                                |                                                                                                                                                                              |
| PacifiCorp Received Services                                                                      | Interwest Mining Company charges are based on labor, benefits and operational cost. No profit is allowed.                                                                      | PERCo charges are based on labor, benefits and operational cost. No profit is allowed.                                                                                         | None                                                                                                                                                                         |
| PacifiCorp Provided Services                                                                      | 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. | 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. | 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. |
| D. In total for each affiliated entity whether receiving or providing services, show:             |                                                                                                                                                                                |                                                                                                                                                                                |                                                                                                                                                                              |
| Receiving Services:                                                                               |                                                                                                                                                                                |                                                                                                                                                                                |                                                                                                                                                                              |
| 1. Total charges or billings                                                                      | \$137,533                                                                                                                                                                      | \$81,270                                                                                                                                                                       | None                                                                                                                                                                         |
| 2. Cost of providing service, incl. tax                                                           | \$137,533                                                                                                                                                                      | \$81,270                                                                                                                                                                       | None                                                                                                                                                                         |
| 3. The margin of charges over costs                                                               | None                                                                                                                                                                           | None                                                                                                                                                                           | None                                                                                                                                                                         |
| 4. Assets allocable to the services                                                               | None                                                                                                                                                                           | None                                                                                                                                                                           | None                                                                                                                                                                         |
| 5. Achieved rate of return on assets                                                              | None                                                                                                                                                                           | None                                                                                                                                                                           | None                                                                                                                                                                         |
| 6. Account charged                                                                                | Refer to detail under separate tab                                                                                                                                             | Refer to detail under separate tab                                                                                                                                             | Refer to detail under separate tab                                                                                                                                           |
| Providing Services:                                                                               |                                                                                                                                                                                |                                                                                                                                                                                |                                                                                                                                                                              |
| 1. Total charges or billings                                                                      | \$684,513                                                                                                                                                                      | \$258,899 (b)                                                                                                                                                                  | \$177,301                                                                                                                                                                    |
| 2. Cost of providing service, incl. tax                                                           | \$684,513                                                                                                                                                                      | \$258,899 (b)                                                                                                                                                                  | \$177,301                                                                                                                                                                    |
| 3. The margin of charges over costs                                                               | None                                                                                                                                                                           | None                                                                                                                                                                           | None                                                                                                                                                                         |
| 4. Assets allocable to the services                                                               | None                                                                                                                                                                           | None                                                                                                                                                                           | None                                                                                                                                                                         |
| 5. Achieved rate of return on assets                                                              | None                                                                                                                                                                           | None                                                                                                                                                                           | None                                                                                                                                                                         |
| 6. Account charged                                                                                | Refer to detail under separate tab                                                                                                                                             | Refer to detail under separate tab                                                                                                                                             | Refer to detail under separate tab                                                                                                                                           |
| Allocation                                                                                        | Refer to detail under separate tab                                                                                                                                             | Refer to detail under separate tab                                                                                                                                             | Refer to detail under separate tab                                                                                                                                           |

(a) Detailed information for each affiliated company is included following this summary.

(b) Refer to Section VII for a discussion of allocations from PacifiCorp to PacifiCorp Environmental Remediation Company (PERCo).

**Affiliated Interest Transactions Summary (a)**  
**For the Year Ended December 31, 2007**

| Requirements                                                                                      | Pacific Minerals, Inc. / Bridger Coal Co.                                                                                                                                                                                 | Trapper Mining, Inc.                                                                                                    |
|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| A. A description of the nature of services in reasonable detail:                                  | Bridger Coal Co. provides coal from the Bridger mine to the Jim Bridger power plant.                                                                                                                                      | Trapper Mining, Inc. holds PacifiCorp's interest in the Trapper coal mine which supplies coal to the Craig power plant. |
| B. The annual charges by type of service (exclude all joint/common costs reported in Section VII) |                                                                                                                                                                                                                           |                                                                                                                         |
| PacifiCorp Received Services                                                                      | \$91,013,613                                                                                                                                                                                                              | \$11,189,539                                                                                                            |
| PacifiCorp Provided Services                                                                      | \$12,562,222                                                                                                                                                                                                              | None                                                                                                                    |
| C. The basis used to determine pricing:                                                           |                                                                                                                                                                                                                           |                                                                                                                         |
| PacifiCorp Received Services                                                                      | Coal delivered is recorded on PacifiCorp's books at the affiliate's cost.                                                                                                                                                 | Coal delivered is recorded on PacifiCorp's books at the affiliate's cost.                                               |
| PacifiCorp Provided Services                                                                      | 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. PacifiCorp provides electricity at tariff. | None                                                                                                                    |
| D. In total for each affiliated entity whether receiving or providing services, show:             |                                                                                                                                                                                                                           |                                                                                                                         |
| Receiving Services:                                                                               |                                                                                                                                                                                                                           |                                                                                                                         |
| 1. Total charges or billings                                                                      | \$91,013,613                                                                                                                                                                                                              | \$11,189,539                                                                                                            |
| 2. Cost of providing service, incl. tax                                                           | \$91,013,613                                                                                                                                                                                                              | \$11,189,539                                                                                                            |
| 3. The margin of charges over costs                                                               | None                                                                                                                                                                                                                      | None                                                                                                                    |
| 4. Assets allocable to the services                                                               | None                                                                                                                                                                                                                      | None                                                                                                                    |
| 5. Achieved rate of return on assets                                                              | None                                                                                                                                                                                                                      | None                                                                                                                    |
| 6. Account charged                                                                                | Refer to detail under separate tab                                                                                                                                                                                        | Refer to detail under separate tab                                                                                      |
| Providing Services:                                                                               |                                                                                                                                                                                                                           |                                                                                                                         |
| 1. Total charges or billings                                                                      | \$12,562,222                                                                                                                                                                                                              | None                                                                                                                    |
| 2. Cost of providing service, incl. tax                                                           | \$12,562,222                                                                                                                                                                                                              | None                                                                                                                    |
| 3. The margin of charges over costs                                                               | Electricity at tariff – refer to C above                                                                                                                                                                                  | None                                                                                                                    |
| 4. Assets allocable to the services                                                               | None                                                                                                                                                                                                                      | None                                                                                                                    |
| 5. Achieved rate of return on assets                                                              | Electricity at tariff – refer to C above                                                                                                                                                                                  | None                                                                                                                    |
| 6. Account charged                                                                                | Refer to detail under separate tab                                                                                                                                                                                        | Refer to detail under separate tab                                                                                      |
| Allocation                                                                                        | Refer to detail under separate tab                                                                                                                                                                                        | Refer to detail under separate tab                                                                                      |

(a) Detail information for each affiliated company is included following this summary.

**Burlington Northern Santa Fe  
Intercompany Transactions  
For the Year Ended December 31, 2007**

| <u>Account Description</u> | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|----------------------------|---------------------------------------------|---------------------------------------------|
| Coal freight services      | \$ 31,094,291.84                            | \$ -                                        |
| Total                      | <u>\$ 31,094,291.84</u>                     | <u>\$ -</u>                                 |

**BNSF Railway Company and Subsidiaries**

**Consolidated Statements of Income**

In millions

| Year ended December 31,          | 2007      | 2006                   | 2005                   |
|----------------------------------|-----------|------------------------|------------------------|
|                                  |           | (As                    | (As                    |
|                                  |           | Adjusted) <sup>a</sup> | Adjusted) <sup>a</sup> |
| Revenues                         | \$ 15,605 | \$ 14,811              | \$ 12,846              |
| Operating expenses:              |           |                        |                        |
| Compensation and benefits        | 3,754     | 3,800                  | 3,501                  |
| Fuel                             | 3,197     | 2,734                  | 1,959                  |
| Purchased services               | 1,995     | 1,894                  | 1,722                  |
| Depreciation and amortization    | 1,290     | 1,174                  | 1,110                  |
| Equipment rents                  | 942       | 930                    | 886                    |
| Materials and other              | 920       | 740                    | 735                    |
| Total operating expenses         | 12,098    | 11,272                 | 9,913                  |
| Operating income                 | 3,507     | 3,539                  | 2,933                  |
| Interest expense                 | 87        | 113                    | 127                    |
| Interest income, related parties | (191)     | (162)                  | (85)                   |
| Other expense, net               | 31        | 39                     | 35                     |
| Income before income taxes       | 3,580     | 3,549                  | 2,856                  |
| Income tax expense               | 1,383     | 1,313                  | 1,075                  |
| Net income                       | \$ 2,197  | \$ 2,236               | \$ 1,781               |

<sup>a</sup> Prior year numbers have been adjusted for the retrospective adoption of Financial Accounting Standards Board (FASB) Staff Position (FSP)

AUG AIR-1, *Accounting for Planned Major Maintenance Activities*. See Note 2 to the Consolidated Financial Statements for additional information.

See accompanying Notes to Consolidated Financial Statements.

**BNSF Railway Company and Subsidiaries**

**Consolidated Balance Sheets**

Dollars in millions

| December 31,                                                                                        | 2007      | 2006<br>(As<br>Adjusted) <sup>a</sup> |
|-----------------------------------------------------------------------------------------------------|-----------|---------------------------------------|
| <b>Assets</b>                                                                                       |           |                                       |
| Current assets:                                                                                     |           |                                       |
| Cash and cash equivalents                                                                           | \$ 24     | \$ 20                                 |
| Accounts receivable, net                                                                            | 805       | 932                                   |
| Materials and supplies                                                                              | 579       | 488                                   |
| Current portion of deferred income taxes                                                            | 282       | 337                                   |
| Other current assets                                                                                | 325       | 285                                   |
| Total current assets                                                                                | 2,015     | 2,062                                 |
| Property and equipment, net                                                                         | 29,513    | 27,871                                |
| Other assets                                                                                        | 1,927     | 1,815                                 |
| Intercompany notes receivable                                                                       | -         | 3,317                                 |
| Total assets                                                                                        | \$ 33,455 | \$ 35,065                             |
| <b>Liabilities and Stockholder's Equity</b>                                                         |           |                                       |
| Current liabilities:                                                                                |           |                                       |
| Accounts payable and other current liabilities                                                      | \$ 2,848  | \$ 2,981                              |
| Long-term debt due within one year                                                                  | 210       | 173                                   |
| Total current liabilities                                                                           | 3,058     | 3,154                                 |
| Long-term debt                                                                                      | 1,511     | 1,215                                 |
| Deferred income taxes                                                                               | 8,501     | 8,293                                 |
| Casualty and environmental liabilities                                                              | 843       | 830                                   |
| Pension and retiree health and welfare liability                                                    | 444       | 604                                   |
| Employee separation costs                                                                           | 77        | 86                                    |
| Other liabilities                                                                                   | 1,578     | 1,171                                 |
| Intercompany notes payable                                                                          | -         | 35                                    |
| Total liabilities                                                                                   | 16,012    | 15,388                                |
| Commitments and contingencies (see Notes 3, 9 and 10)                                               |           |                                       |
| Stockholder's equity:                                                                               |           |                                       |
| Common stock, \$1 par value, 1,000 shares authorized;<br>issued and outstanding and paid-in-capital | 6,286     | 6,286                                 |
| Retained earnings                                                                                   | 11,761    | 13,677                                |
| Intercompany notes receivable                                                                       | (456)     | -                                     |
| Accumulated other comprehensive loss                                                                | (148)     | (286)                                 |
| Total stockholder's equity                                                                          | 17,443    | 19,677                                |
| Total liabilities and stockholder's equity                                                          | \$ 33,455 | \$ 35,065                             |

<sup>a</sup> Prior year numbers have been adjusted for the retrospective adoption of FSP AUG AIR-1, *Accounting for Planned Major Maintenance Activities*.  
See Note 2 to the Consolidated Financial Statements for additional information.

See accompanying Notes to Consolidated Financial Statements.

**MidAmerican Energy Holdings Company**  
**Affiliated Transactions**  
**For the Year Ended December 31, 2007**

| <u>Account Description</u>                                         | <u>PacifiCorp<br/>Received<br/>Services (a)</u> | <u>PacifiCorp<br/>Provided<br/>Services (b)</u> |
|--------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| MEHC/MEC management fees:                                          |                                                 |                                                 |
| PacifiCorp                                                         | \$ 8,949,914.92                                 | \$ -                                            |
| Intermountain Geothermal Company                                   | 43,546.22                                       | -                                               |
| Subtotal PacifiCorp Intercompany Administrative Services Agreement | 8,993,461.14                                    | -                                               |
| PacifiCorp Environmental Remediation Company                       | 149,139.55                                      | -                                               |
| Total management fee                                               | 9,142,600.69                                    | -                                               |
| PacifiCorp administrative cross charges:                           |                                                 |                                                 |
| PacifiCorp labor                                                   | -                                               | 525,931.69                                      |
| PacifiCorp other miscellaneous expenses                            | -                                               | 1,219,225.29                                    |
| Total PacifiCorp administrative cross charges                      | -                                               | 1,745,156.98                                    |
| Interwest Mining Company labor                                     | -                                               | 6,806.80                                        |
| Interwest Mining Company other miscellaneous expenses              | -                                               | 33,655.99                                       |
| Total Interwest Mining Company administrative cross charges        | -                                               | 40,462.79                                       |
| <b>Total</b>                                                       | <b>\$ 9,142,600.69</b>                          | <b>\$ 1,785,619.77</b>                          |

(a) Represents services received by PacifiCorp and its subsidiaries.

(b) Represents services provided by PacifiCorp and its subsidiaries. PacifiCorp bills MEHC for administrative cross charges for PacifiCorp's costs and those of its subsidiaries.

**MIDAMERICAN ENERGY HOLDINGS COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Amounts in millions)

|                                                | <u>As of December 31,</u> |                  |
|------------------------------------------------|---------------------------|------------------|
|                                                | <u>2007</u>               | <u>2006</u>      |
| <b>ASSETS</b>                                  |                           |                  |
| Current assets:                                |                           |                  |
| Cash and cash equivalents                      | \$ 1,178                  | \$ 343           |
| Accounts receivable, net                       | 1,464                     | 1,280            |
| Inventories                                    | 476                       | 407              |
| Derivative contracts                           | 170                       | 236              |
| Guaranteed investment contracts                | 397                       | 196              |
| Other current assets                           | <u>629</u>                | <u>677</u>       |
| Total current assets                           | <u>4,314</u>              | <u>3,139</u>     |
| Property, plant and equipment, net             | 26,221                    | 24,039           |
| Goodwill                                       | 5,339                     | 5,345            |
| Regulatory assets                              | 1,503                     | 1,827            |
| Derivative contracts                           | 227                       | 248              |
| Deferred charges, investments and other assets | <u>1,612</u>              | <u>1,849</u>     |
| <b>Total assets</b>                            | <u>\$ 39,216</u>          | <u>\$ 36,447</u> |

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

**MIDAMERICAN ENERGY HOLDINGS COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS (continued)**  
(Amounts in millions)

|                                                                                                                                                   | <u>As of December 31,</u> |                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------|
|                                                                                                                                                   | <u>2007</u>               | <u>2006</u>             |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                                                                                                       |                           |                         |
| Current liabilities:                                                                                                                              |                           |                         |
| Accounts payable                                                                                                                                  | \$ 1,063                  | \$ 1,049                |
| Accrued interest                                                                                                                                  | 341                       | 306                     |
| Accrued property and other taxes                                                                                                                  | 230                       | 231                     |
| Derivative contracts                                                                                                                              | 266                       | 271                     |
| Other current liabilities                                                                                                                         | 816                       | 713                     |
| Short-term debt                                                                                                                                   | 130                       | 552                     |
| Current portion of long-term debt                                                                                                                 | 1,966                     | 1,103                   |
| Current portion of MEHC subordinated debt                                                                                                         | <u>234</u>                | <u>234</u>              |
| Total current liabilities                                                                                                                         | <u>5,046</u>              | <u>4,459</u>            |
| Other long-term accrued liabilities                                                                                                               | 1,372                     | 1,716                   |
| Regulatory liabilities                                                                                                                            | 1,629                     | 1,839                   |
| Derivative contracts                                                                                                                              | 499                       | 618                     |
| MEHC senior debt                                                                                                                                  | 4,471                     | 3,929                   |
| MEHC subordinated debt                                                                                                                            | 891                       | 1,123                   |
| Subsidiary and project debt                                                                                                                       | 12,131                    | 11,061                  |
| Deferred income taxes                                                                                                                             | <u>3,595</u>              | <u>3,449</u>            |
| Total liabilities                                                                                                                                 | <u>29,634</u>             | <u>28,194</u>           |
| Minority interest                                                                                                                                 | 128                       | 114                     |
| Preferred securities of subsidiaries                                                                                                              | 128                       | 128                     |
| Commitments and contingencies (Note 18)                                                                                                           |                           |                         |
| Shareholders' equity:                                                                                                                             |                           |                         |
| Common stock - 115 shares authorized, no par value, 75 shares and 74 shares issued and outstanding as of December 31, 2007 and 2006, respectively | -                         | -                       |
| Additional paid-in capital                                                                                                                        | 5,454                     | 5,420                   |
| Retained earnings                                                                                                                                 | 3,782                     | 2,598                   |
| Accumulated other comprehensive income (loss), net                                                                                                | <u>90</u>                 | <u>(7)</u>              |
| Total shareholders' equity                                                                                                                        | <u>9,326</u>              | <u>8,011</u>            |
| <b>Total liabilities and shareholders' equity</b>                                                                                                 | <b><u>\$ 39,216</u></b>   | <b><u>\$ 36,447</u></b> |

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

**MIDAMERICAN ENERGY HOLDINGS COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Amounts in millions)

|                                                                                                                                                 | <b>Years Ended December 31,</b> |                      |                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------|----------------------|
|                                                                                                                                                 | <b>2007</b>                     | <b>2006</b>          | <b>2005</b>          |
| <b>Operating revenue</b>                                                                                                                        | <b>\$ 12,376</b>                | <b>\$ 10,301</b>     | <b>\$ 7,116</b>      |
| <b>Costs and expenses:</b>                                                                                                                      |                                 |                      |                      |
| Cost of sales                                                                                                                                   | 5,680                           | 4,587                | 3,293                |
| Operating expense                                                                                                                               | 2,858                           | 2,587                | 1,686                |
| Depreciation and amortization                                                                                                                   | 1,150                           | 1,007                | 608                  |
| Total costs and expenses                                                                                                                        | <u>9,688</u>                    | <u>8,181</u>         | <u>5,587</u>         |
| <b>Operating income</b>                                                                                                                         | <u>2,688</u>                    | <u>2,120</u>         | <u>1,529</u>         |
| <b>Other income (expense):</b>                                                                                                                  |                                 |                      |                      |
| Interest expense                                                                                                                                | (1,320)                         | (1,152)              | (891)                |
| Capitalized interest                                                                                                                            | 54                              | 40                   | 17                   |
| Interest and dividend income                                                                                                                    | 105                             | 73                   | 58                   |
| Other income                                                                                                                                    | 122                             | 239                  | 75                   |
| Other expense                                                                                                                                   | (10)                            | (13)                 | (23)                 |
| Total other income (expense)                                                                                                                    | <u>(1,049)</u>                  | <u>(813)</u>         | <u>(764)</u>         |
| <b>Income from continuing operations before income tax expense, minority interest and preferred dividends of subsidiaries and equity income</b> | <b>1,639</b>                    | <b>1,307</b>         | <b>765</b>           |
| Income tax expense                                                                                                                              | (456)                           | (407)                | (245)                |
| Minority interest and preferred dividends of subsidiaries                                                                                       | (30)                            | (27)                 | (15)                 |
| Equity income                                                                                                                                   | <u>36</u>                       | <u>43</u>            | <u>53</u>            |
| <b>Income from continuing operations</b>                                                                                                        | <b>1,189</b>                    | <b>916</b>           | <b>558</b>           |
| Income from discontinued operations, net of tax                                                                                                 | <u>-</u>                        | <u>-</u>             | <u>5</u>             |
| <b>Net income</b>                                                                                                                               | <b><u>\$ 1,189</u></b>          | <b><u>\$ 916</u></b> | <b><u>\$ 563</u></b> |

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

**HomeServices of America, Inc.**  
**Affiliated Transactions**  
**For the Year Ended December 31, 2007**

| <u>Account Description</u>        | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|-----------------------------------|---------------------------------------------|---------------------------------------------|
| Moving and/or relocation services | \$ 3,525,025.66                             | \$ -                                        |
| <b>Total</b>                      | <b>\$ 3,525,025.66</b>                      | <b>\$ -</b>                                 |

HomeServices of America, Inc.  
Consolidated Balance Sheets  
(In thousands, except share and per share amounts)

|                                                                                                                                                     | As of December 31, |                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|
|                                                                                                                                                     | 2007               | 2006              |
| <b>ASSETS</b>                                                                                                                                       |                    |                   |
| Current assets:                                                                                                                                     |                    |                   |
| Cash and cash equivalents .....                                                                                                                     | \$ 8,999           | \$ 79,517         |
| Commissions and other trade receivables,<br>net of allowance of \$1,843 and \$1,774, respectively .....                                             | 24,030             | 28,507            |
| Amounts held in trust .....                                                                                                                         | 98,489             | 96,941            |
| Income taxes receivable .....                                                                                                                       | 2,463              | 4,300             |
| Deferred income taxes .....                                                                                                                         | 7,196              | 5,015             |
| Other current assets .....                                                                                                                          | 14,698             | 11,833            |
| Total current assets .....                                                                                                                          | 155,875            | 226,113           |
| Property, plant and equipment, net .....                                                                                                            | 76,387             | 67,419            |
| Goodwill .....                                                                                                                                      | 288,523            | 291,107           |
| Trade name and other intangible assets, net .....                                                                                                   | 45,363             | 47,356            |
| Equity investments .....                                                                                                                            | 17,470             | 22,164            |
| Amounts held in trust .....                                                                                                                         | 4,210              | 27,138            |
| Other assets .....                                                                                                                                  | 21,773             | 24,449            |
| <b>Total assets .....</b>                                                                                                                           | <b>\$ 609,601</b>  | <b>\$ 705,746</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                                                                                                         |                    |                   |
| Current liabilities:                                                                                                                                |                    |                   |
| Accounts and commissions payable .....                                                                                                              | \$ 14,101          | \$ 27,422         |
| Accrued expenses .....                                                                                                                              | 34,936             | 40,551            |
| Amounts held in trust .....                                                                                                                         | 98,489             | 96,941            |
| Accrued stock option compensation .....                                                                                                             | 1,034              | 2,072             |
| Other current liabilities .....                                                                                                                     | 13,977             | 12,775            |
| Mortgage warehouse credit facility .....                                                                                                            | -                  | 2,472             |
| Current portion of long-term debt .....                                                                                                             | 11,339             | 6,911             |
| Total current liabilities .....                                                                                                                     | 173,876            | 189,144           |
| Agent profit sharing .....                                                                                                                          | 22,655             | 21,679            |
| Amounts held in trust .....                                                                                                                         | 4,210              | 27,138            |
| Other noncurrent liabilities .....                                                                                                                  | 42,409             | 33,839            |
| Long-term debt .....                                                                                                                                | 10,665             | 21,999            |
| Deferred income taxes .....                                                                                                                         | 16,411             | 21,373            |
| Total liabilities .....                                                                                                                             | 270,226            | 315,172           |
| Minority interest .....                                                                                                                             | 554                | 1,165             |
| Commitments and contingencies (Note 12)                                                                                                             |                    |                   |
| Shareholders' equity:                                                                                                                               |                    |                   |
| Convertible preferred stock, \$0.01 par value, 2,000,000 shares authorized;<br>no shares issued and outstanding at December 31, 2007 and 2006 ..... | -                  | -                 |
| Common stock, \$0.01 par value, 38,000 shares authorized; 13,200<br>shares issued at December 31, 2007 and 2006 .....                               | -                  | -                 |
| Additional paid-in capital .....                                                                                                                    | 132,483            | 130,544           |
| Accumulated other comprehensive income, net .....                                                                                                   | 1,594              | 1,403             |
| Retained earnings .....                                                                                                                             | 239,437            | 275,312           |
| Less treasury stock, 1,950 common shares at December 31, 2007<br>and 1,700 common shares at December 31, 2006, at cost .....                        | (34,693)           | (17,850)          |
| Total shareholders' equity .....                                                                                                                    | 338,821            | 389,409           |
| <b>Total liabilities and shareholders' equity .....</b>                                                                                             | <b>\$ 609,601</b>  | <b>\$ 705,746</b> |

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

**HomeServices of America, Inc.**  
**Consolidated Statements of Operations**  
(In thousands)

|                                                                      | <b>Years Ended<br/>December 31,</b> |                    |
|----------------------------------------------------------------------|-------------------------------------|--------------------|
|                                                                      | <b><u>2007</u></b>                  | <b><u>2006</u></b> |
| <b>Revenue:</b>                                                      |                                     |                    |
| Commission revenue.....                                              | \$ 1,376,720                        | \$ 1,565,175       |
| Title and escrow closing fees.....                                   | 69,366                              | 80,404             |
| Other .....                                                          | <u>54,101</u>                       | <u>56,185</u>      |
| Total revenue.....                                                   | <u>1,500,187</u>                    | <u>1,701,764</u>   |
| <b>Operating Expenses:</b>                                           |                                     |                    |
| Commission expense.....                                              | 1,030,750                           | 1,169,811          |
| Salaries and employee benefits.....                                  | 196,050                             | 213,849            |
| Occupancy.....                                                       | 89,536                              | 91,039             |
| Business promotion and advertising .....                             | 54,599                              | 63,786             |
| Other operating expenses .....                                       | 76,550                              | 76,746             |
| Amortization of pending real estate contracts.....                   | 75                                  | 10,936             |
| Depreciation and amortization.....                                   | <u>19,848</u>                       | <u>20,907</u>      |
| Total operating expenses.....                                        | <u>1,467,408</u>                    | <u>1,647,074</u>   |
| Equity earnings .....                                                | <u>6,937</u>                        | <u>14,092</u>      |
| Operating income .....                                               | 39,716                              | 68,782             |
| <b>Other income (expense), net:</b>                                  |                                     |                    |
| Other income.....                                                    | 4,077                               | 7,650              |
| Interest expense .....                                               | <u>(1,820)</u>                      | <u>(2,269)</u>     |
| Total other income (expense), net .....                              | <u>2,257</u>                        | <u>5,381</u>       |
| Income before minority interest and provision for income taxes ..... | 41,973                              | 74,163             |
| Minority interest.....                                               | <u>(1,069)</u>                      | <u>(1,805)</u>     |
| Income before provision for income taxes .....                       | 40,904                              | 72,358             |
| Provision for income taxes.....                                      | <u>14,746</u>                       | <u>30,332</u>      |
| Net income .....                                                     | <u>\$ 26,158</u>                    | <u>\$ 42,026</u>   |

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

**Kern River Gas Transmission Company**  
**Affiliated Transactions**  
**For the Year Ended December 31, 2007**

| <u>Account Description</u>          | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|-------------------------------------|---------------------------------------------|---------------------------------------------|
| Natural gas transportation services | \$ 3,055,765.00                             | \$ -                                        |
| <b>Total</b>                        | <b>\$ 3,055,765.00</b>                      | <b>\$ -</b>                                 |

**Kern River Gas Transmission Company**  
**Balance Sheets – Regulatory Basis**  
(In thousands)

|                                                          | <b>As of December 31,</b>  |                            |
|----------------------------------------------------------|----------------------------|----------------------------|
|                                                          | <b>2007</b>                | <b>2006</b>                |
| <b>ASSETS</b>                                            |                            |                            |
| Current assets:                                          |                            |                            |
| Cash and cash equivalents                                | \$ 12,503                  | \$ 35,239                  |
| Trade receivables                                        | 39,425                     | 43,050                     |
| Transportation and exchange gas receivables              | 4,003                      | 5,405                      |
| Materials and supplies                                   | 6,457                      | 6,870                      |
| Prepaid expenses                                         | 2,040                      | 2,594                      |
| Total current assets                                     | <u>64,428</u>              | <u>93,158</u>              |
| Property, plant and equipment, net:                      |                            |                            |
| Cost                                                     | 2,359,193                  | 2,350,845                  |
| Accumulated depreciation and amortization                | <u>(704,325)</u>           | <u>(633,527)</u>           |
| Property, plant and equipment, net                       | <u>1,654,868</u>           | <u>1,717,318</u>           |
| Deferred income taxes                                    | 82,667                     | 75,815                     |
| Regulatory assets                                        | 145,489                    | 156,207                    |
| Other                                                    | 44,283                     | 56,322                     |
| <b>Total assets</b>                                      | <u><b>\$ 1,991,735</b></u> | <u><b>\$ 2,098,820</b></u> |
| <b>LIABILITIES AND PARTNERS' CAPITAL</b>                 |                            |                            |
| Current liabilities:                                     |                            |                            |
| Trade payables                                           | \$ 2,553                   | \$ 8,254                   |
| Accrued interest                                         | 744                        | 5,028                      |
| Income taxes payable                                     | 12,781                     | 9,808                      |
| Accrued taxes other than income                          | 3,380                      | 3,779                      |
| Provision for rate refunds                               | 190,821                    | 107,273                    |
| Other current liabilities                                | 9,689                      | 8,116                      |
| Current portion of long-term notes payable to subsidiary | <u>72,816</u>              | <u>74,983</u>              |
| Total current liabilities                                | <u>292,784</u>             | <u>217,241</u>             |
| Other long-term liabilities                              | 20,162                     | 30,586                     |
| Long-term notes payable to subsidiary                    | 943,608                    | 1,016,424                  |
| Deferred income taxes                                    | <u>291,997</u>             | <u>280,424</u>             |
| Total liabilities                                        | <u>1,548,551</u>           | <u>1,544,675</u>           |
| Commitments and contingencies (Note 11)                  |                            |                            |
| Partners' capital:                                       |                            |                            |
| Contributed capital                                      | 677,871                    | 677,871                    |
| Retained deficit                                         | <u>(234,687)</u>           | <u>(123,726)</u>           |
| Total partners' capital                                  | <u>443,184</u>             | <u>554,145</u>             |
| <b>Total liabilities and partners' capital</b>           | <u><b>\$ 1,991,735</b></u> | <u><b>\$ 2,098,820</b></u> |

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

**Kern River Gas Transmission Company**  
**Statements of Income – Regulatory Basis**  
(In thousands)

|                                                   | <b>Years Ended December 31,</b> |                          |
|---------------------------------------------------|---------------------------------|--------------------------|
|                                                   | <b>2007</b>                     | <b>2006</b>              |
| <b>Revenue – Gas transportation</b>               | <b>\$ 404,193</b>               | <b>\$ 325,165</b>        |
| <b>Operating expenses:</b>                        |                                 |                          |
| Operation and maintenance                         | 37,600                          | 33,093                   |
| Depreciation and amortization                     | 79,567                          | 56,259                   |
| Taxes other than income                           | 10,241                          | 18,922                   |
| Total operating expenses                          | <u>127,408</u>                  | <u>108,274</u>           |
| <b>Operating income</b>                           | <u>276,785</u>                  | <u>216,891</u>           |
| <b>Other (expense) income, net:</b>               |                                 |                          |
| Interest on long-term notes payable to subsidiary | (58,263)                        | (62,037)                 |
| Amortization of deferred financing costs          | (4,550)                         | (5,380)                  |
| Miscellaneous interest expense                    | (12,171)                        | (6,605)                  |
| Interest income                                   | 1,453                           | 872                      |
| Other, net                                        | 3,293                           | 88,002                   |
| Total other (expense) income, net                 | <u>(70,238)</u>                 | <u>14,852</u>            |
| <b>Income before income tax expense</b>           | <b>206,547</b>                  | <b>231,743</b>           |
| Income tax expense                                | <u>78,208</u>                   | <u>87,423</u>            |
| <b>Net income</b>                                 | <b><u>\$ 128,339</u></b>        | <b><u>\$ 144,320</u></b> |

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

**MEHC Insurance Services Ltd.**  
**Affiliated Transactions**  
**For the Year Ended December 31, 2007**

| <u>Account Description</u>          | <u>PacifiCorp<br/>Received<br/>Services (a)</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|-------------------------------------|-------------------------------------------------|---------------------------------------------|
| Captive property insurance expense  | \$ 5,607,909.99                                 | \$ -                                        |
| Captive liability insurance expense | 1,599,311.37                                    | -                                           |
|                                     | <hr/>                                           | <hr/>                                       |
| <b>Total</b>                        | <b>\$ 7,207,221.36</b>                          | <b>\$ -</b>                                 |
|                                     | <hr/> <hr/>                                     | <hr/> <hr/>                                 |

(a) At December 31, 2007, PacifiCorp had a prepaid balance of \$1,195,866.83 for captive property insurance and a prepaid balance of \$340,310.81 for captive liability insurance. PacifiCorp also had \$11,200,112.47 in claims receivable at year end.

#### **MEHC Insurance Services Ltd**

An accounting audit of MEHC Insurance Services Ltd was performed in May 2008, therefore the financial statements were not available to be included in PacifiCorp's 2007 Affiliate Interest Report at the time of filing. PacifiCorp will provide MEHC Insurance Services Ltd's financial statements as soon as they become available.

**MidAmerican Energy Company**  
**Affiliated Transactions**  
**For the Year Ended December 31, 2007**

| <u>Account Description</u>                    | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|-----------------------------------------------|---------------------------------------------|---------------------------------------------|
| 2006 storm damage assistance                  | \$ 151,695.58                               | \$ -                                        |
| PacifiCorp administrative cross charges:      |                                             |                                             |
| Labor                                         | -                                           | 309,907.49                                  |
| Other miscellaneous expenses                  | -                                           | 62,261.96                                   |
| Total PacifiCorp administrative cross charges | -                                           | 372,169.45                                  |
| <b>Total</b>                                  | <b>\$ 151,695.58</b>                        | <b>\$ 372,169.45</b>                        |

**MIDAMERICAN ENERGY COMPANY AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**  
(In millions)

|                                                            | As of December 31, |                 |
|------------------------------------------------------------|--------------------|-----------------|
|                                                            | 2007               | 2006            |
| <b>ASSETS</b>                                              |                    |                 |
| <b>Utility Plant, Net</b>                                  |                    |                 |
| Electric                                                   | \$ 7,473           | \$ 6,366        |
| Gas                                                        | 1,086              | 1,031           |
|                                                            | 8,559              | 7,397           |
| Accumulated depreciation and amortization                  | (3,237)            | (3,261)         |
|                                                            | 5,322              | 4,136           |
| Construction work in progress                              | 386                | 867             |
|                                                            | 5,708              | 5,003           |
| <b>Current Assets</b>                                      |                    |                 |
| Cash and cash equivalents                                  | 11                 | 9               |
| Short-term investments                                     | -                  | 15              |
| Receivables, less allowances of \$9 and \$10, respectively | 485                | 394             |
| Inventories                                                | 133                | 113             |
| Other                                                      | 39                 | 163             |
|                                                            | 668                | 694             |
| <b>Other Assets</b>                                        |                    |                 |
| Investments and nonregulated property, net                 | 478                | 410             |
| Regulatory assets                                          | 268                | 273             |
| Other                                                      | 129                | 130             |
|                                                            | 875                | 813             |
| <b>Total Assets</b>                                        | <b>\$ 7,251</b>    | <b>\$ 6,510</b> |
| <b>CAPITALIZATION AND LIABILITIES</b>                      |                    |                 |
| <b>Capitalization</b>                                      |                    |                 |
| Common shareholder's equity                                | \$ 2,288           | \$ 1,951        |
| MidAmerican Energy preferred securities                    | 30                 | 30              |
| Long-term debt, excluding current portion                  | 2,470              | 1,819           |
|                                                            | 4,788              | 3,800           |
| <b>Current Liabilities</b>                                 |                    |                 |
| Notes payable                                              | 86                 | -               |
| Current portion of long-term debt                          | 1                  | 2               |
| Accounts payable                                           | 408                | 498             |
| Taxes accrued                                              | 85                 | 99              |
| Interest accrued                                           | 41                 | 33              |
| Other                                                      | 76                 | 171             |
|                                                            | 697                | 803             |
| <b>Other Liabilities</b>                                   |                    |                 |
| Deferred income taxes                                      | 517                | 471             |
| Investment tax credits                                     | 38                 | 41              |
| Asset retirement obligations                               | 182                | 173             |
| Regulatory liabilities                                     | 793                | 989             |
| Other                                                      | 236                | 233             |
|                                                            | 1,766              | 1,907           |
| <b>Total Capitalization and Liabilities</b>                | <b>\$ 7,251</b>    | <b>\$ 6,510</b> |

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

**MIDAMERICAN ENERGY COMPANY AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In millions)

|                                   | Years Ended December 31, |               |               |
|-----------------------------------|--------------------------|---------------|---------------|
|                                   | 2007                     | 2006          | 2005          |
| <b>Operating Revenues</b>         |                          |               |               |
| Regulated electric                | \$ 1,934                 | \$ 1,779      | \$ 1,513      |
| Regulated gas                     | 1,174                    | 1,112         | 1,323         |
| Nonregulated                      | 1,150                    | 557           | 324           |
|                                   | <u>4,258</u>             | <u>3,448</u>  | <u>3,160</u>  |
| <b>Operating Expenses</b>         |                          |               |               |
| Regulated:                        |                          |               |               |
| Cost of fuel, energy and capacity | 741                      | 672           | 477           |
| Cost of gas sold                  | 937                      | 888           | 1,098         |
| Other operating expenses          | 419                      | 402           | 381           |
| Maintenance                       | 201                      | 156           | 151           |
| Depreciation and amortization     | 268                      | 274           | 267           |
| Property and other taxes          | 98                       | 97            | 95            |
|                                   | <u>2,664</u>             | <u>2,489</u>  | <u>2,469</u>  |
| Nonregulated:                     |                          |               |               |
| Cost of sales                     | 1,061                    | 522           | 291           |
| Other                             | 20                       | 16            | 19            |
|                                   | <u>1,081</u>             | <u>538</u>    | <u>310</u>    |
| Total operating expenses          | <u>3,745</u>             | <u>3,027</u>  | <u>2,779</u>  |
| <b>Operating Income</b>           | <u>513</u>               | <u>421</u>    | <u>381</u>    |
| <b>Non-Operating Income</b>       |                          |               |               |
| Interest and dividend income      | 9                        | 9             | 6             |
| Allowance for equity funds        | 41                       | 37            | 24            |
| Other income                      | 9                        | 9             | 7             |
| Other expense                     | (3)                      | (3)           | (4)           |
|                                   | <u>56</u>                | <u>52</u>     | <u>33</u>     |
| <b>Fixed Charges</b>              |                          |               |               |
| Interest on long-term debt        | 122                      | 93            | 80            |
| Other interest expense            | 9                        | 12            | 9             |
| Allowance for borrowed funds      | (18)                     | (16)          | (11)          |
|                                   | <u>113</u>               | <u>89</u>     | <u>78</u>     |
| <b>Income Before Income Taxes</b> | <u>456</u>               | <u>384</u>    | <u>336</u>    |
| <b>Income Taxes</b>               | <u>130</u>               | <u>118</u>    | <u>115</u>    |
| <b>Net Income</b>                 | <u>326</u>               | <u>266</u>    | <u>221</u>    |
| <b>Preferred Dividends</b>        | <u>1</u>                 | <u>1</u>      | <u>1</u>      |
| <b>Earnings on Common Stock</b>   | <u>\$ 325</u>            | <u>\$ 265</u> | <u>\$ 220</u> |

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

**PPW Holdings LLC  
Intercompany Transactions  
For the Year Ended December 31, 2007**

Refer to Section V for a discussion of transactions between PacifiCorp and PPW Holdings LLC.

| Company code 1500 Business area ***     |              | Amounts in USD                                  |                                       |                                        |                        |                     |
|-----------------------------------------|--------------|-------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|---------------------|
| CComp<br>F code                         | Bus.<br>area | Texts                                           | Reporting period<br>(01.2009-03.2009) | Comparison period<br>(01.2008-12.2008) | Absolute<br>difference | Rel<br>dif<br>level |
| Assets                                  |              |                                                 |                                       |                                        |                        |                     |
| Current Assets                          |              |                                                 |                                       |                                        |                        |                     |
| 1500                                    |              | Cash and Cash Equivalents                       |                                       |                                        |                        |                     |
| 1500                                    |              | 101003 Main Concent-Wires/ACH In Clearing Acct  | 36,226,000.00                         | 68,911,412.00                          | 32,685,412.00-         | 47.4-               |
|                                         |              | 101004 Main Concent-Wires/ACH Out Clearing Acct | 36,226,000.00-                        | 68,911,412.00-                         | 32,685,412.00          | 47.4                |
|                                         |              | Total Other Cash                                | 0.00                                  | 0.00                                   | 0.00                   | *4*                 |
|                                         |              | Total Cash and Cash Equivalents                 | 0.00                                  | 0.00                                   | 0.00                   | *3*                 |
| Accounts Receivable, Net                |              |                                                 |                                       |                                        |                        |                     |
| Accounts Receivable                     |              |                                                 |                                       |                                        |                        |                     |
| 1500                                    |              | 116850 Accounts Receivable - Other              | 992,000.00                            | 3,238,000.00                           | 2,246,000.00-          | 69.4-               |
|                                         |              | Total Other Accounts Receivable                 | 992,000.00                            | 3,238,000.00                           | 2,246,000.00-          | 69.4-               |
|                                         |              | Total Accounts Receivable                       | 992,000.00                            | 3,238,000.00                           | 2,246,000.00-          | *5*                 |
|                                         |              | Total Accounts Receivable, Net                  | 992,000.00                            | 3,238,000.00                           | 2,246,000.00-          | *4*                 |
|                                         |              |                                                 |                                       |                                        | 2,246,000.00-          | *3*                 |
| Amounts Due From Affiliates             |              |                                                 |                                       |                                        |                        |                     |
| Amounts Due from MidAmerican Affiliates |              |                                                 |                                       |                                        |                        |                     |
| 1500                                    |              | 116132 InterCo Fed Tax Rec - (Odd Years)- MEHC  | 0.00                                  | 114,459.00                             | 114,459.00-            | 100.0-              |
| 1500                                    |              | 116134 InterCo State Tax Rec - (Odd Years)- MEH | 0.00                                  | 82,309.00                              | 82,309.00-             | 100.0-              |
|                                         |              | Total Taxes Receivable - MidAmerican            | 0.00                                  | 196,768.00                             | 196,768.00-            | *5*                 |
|                                         |              | Total Amounts Due from MidAmerican Affiliates   | 0.00                                  | 196,768.00                             | 196,768.00-            | *4*                 |
|                                         |              | Total Amounts Due From Affiliates               | 0.00                                  | 196,768.00                             | 196,768.00-            | *3*                 |
|                                         |              | Total Current Assets                            | 992,000.00                            | 3,434,768.00                           | 2,442,768.00-          | 71.1-               |
| Other Assets                            |              |                                                 |                                       |                                        |                        |                     |
| Goodwill                                |              |                                                 |                                       |                                        |                        |                     |
| 1500                                    |              | 176100 Goodwill                                 | 1125,440,847.24                       | 1125,186,180.24                        | 254,667.00             | *3*                 |
|                                         |              | Total Goodwill                                  | 1125,440,847.24                       | 1125,186,180.24                        | 254,667.00             |                     |
| Consolidating Investments               |              |                                                 |                                       |                                        |                        |                     |
| 1500                                    |              | 165100 Investment in PacifiCorp                 | 4430,514,260.29                       | 4430,514,260.29                        | 0.00                   |                     |
| 1500                                    |              | 167100 Equity Earnings in PacifiCorp            | 719,824,660.72                        | 612,830,841.17                         | 106,993,819.55         | 17.5                |
|                                         |              | Total Investments in Subsidiaries               | 5150,338,921.01                       | 5043,345,101.46                        | 106,993,819.55         | 2.1                 |
|                                         |              | Total Consolidating Investments                 | 5150,338,921.01                       | 5043,345,101.46                        | 106,993,819.55         | *4*                 |
|                                         |              |                                                 |                                       |                                        |                        | *3*                 |
| Deferred Charges and Other Assets       |              |                                                 |                                       |                                        |                        |                     |
| Long-Term Notes & Interest Receivable   |              |                                                 |                                       |                                        |                        |                     |
| 1500                                    |              | 156900 Other Receivables-Noncurrent             | 47,136,000.00                         | 48,128,000.00                          | 992,000.00-            | 2.1-                |
|                                         |              | Total Long-Term Notes Receivable                | 47,136,000.00                         | 48,128,000.00                          | 992,000.00-            | 2.1-                |
|                                         |              | Total Long-Term Notes & Interest Receivable     | 47,136,000.00                         | 48,128,000.00                          | 992,000.00-            | *5*                 |
|                                         |              | Total Deferred Charges and Other Assets         | 47,136,000.00                         | 48,128,000.00                          | 992,000.00-            | 2.1-                |
|                                         |              | Total Other Assets                              | 6322,915,768.25                       | 6216,659,281.70                        | 106,256,486.55         | *3*                 |
|                                         |              | Total Assets                                    | 6323,907,768.25                       | 6220,094,049.70                        | 103,813,718.55         | 1.7                 |
|                                         |              |                                                 |                                       |                                        |                        | *1*                 |

| Company code 1500 Business area **** |                              |                                         | Amounts in USD                        |                                        |                        |            |                |
|--------------------------------------|------------------------------|-----------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C<br>F                               | Comp<br>Bus.<br>code<br>area | Texts                                   | Reporting period<br>(01.2009-03.2009) | Comparison period<br>(01.2008-12.2008) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
|                                      |                              | Liabilities & Stockholders Equity       |                                       |                                        |                        |            |                |
|                                      |                              | Liabilities                             |                                       |                                        |                        |            |                |
|                                      |                              | Current Liabilities                     |                                       |                                        |                        |            |                |
|                                      |                              | Amounts Due to Affiliates               |                                       |                                        |                        |            |                |
|                                      |                              | InterCo Tax Pay PPW Holdings-MEHC       | 1,076,888.00                          | 1,176,540.00-                          | 2,253,428.00           | 191.5      |                |
| 1500                                 |                              | 210738                                  | 1,076,888.00                          | 1,176,540.00-                          | 2,253,428.00           | 191.5      | *6*            |
|                                      |                              | Total Accounts Payable - MidAmerican    | 215,918.00-                           | 0.00                                   | 215,918.00-            |            |                |
| 1500                                 |                              | 210731                                  | 18,541.00-                            | 0.00                                   | 18,541.00-             |            |                |
| 1500                                 |                              | 210732                                  | 18,541.00-                            | 0.00                                   | 18,541.00-             |            |                |
| 1500                                 |                              | 210733                                  | 29,340.00-                            | 0.00                                   | 29,340.00-             |            |                |
| 1500                                 |                              | 210734                                  | 148,309.00                            | 0.00                                   | 148,309.00-            |            |                |
|                                      |                              | InterCo State Tax Pay-(Even Years)-MEHC | 115,490.00-                           | 0.00                                   | 115,490.00-            |            |                |
|                                      |                              | InterCo State Tax Pay-(Odd Years)-MEHC  | 961,398.00                            | 1,176,540.00-                          | 2,137,938.00           | 181.7      | *6*            |
|                                      |                              | Total Taxes Payable - MidAmerican       | 961,398.00                            | 1,176,540.00-                          | 2,137,938.00           | 181.7      | *5*            |
|                                      |                              | Total Amounts Due to Affiliates         | 961,398.00                            | 1,176,540.00-                          | 2,137,938.00           | 181.7      | *4*            |
|                                      |                              | Other Current Liabilities               |                                       |                                        |                        |            |                |
|                                      |                              | Current Wholesale Contingent Liabilitie | 2,801,325.00-                         | 2,908,949.00-                          | 107,624.00             | 3.7        |                |
| 1500                                 |                              | 248025                                  | 2,576,666.67-                         | 2,576,666.67-                          | 0.00                   |            |                |
| 1500                                 |                              | 248070                                  | 5,377,991.67-                         | 5,485,615.67-                          | 107,624.00             | 2.0        | *5*            |
|                                      |                              | Total Miscellaneous Current Liabilities | 5,377,991.67-                         | 5,485,615.67-                          | 107,624.00             | 2.0        | *4*            |
|                                      |                              | Total Other Current Liabilities         | 4,416,593.67-                         | 6,662,155.67-                          | 2,245,562.00           | 33.7       | *3*            |
|                                      |                              | Deferred Credits                        |                                       |                                        |                        |            |                |
|                                      |                              | Deferred Income Taxes                   |                                       |                                        |                        |            |                |
|                                      |                              | DTA 505.150 Misc. Current and Accrued L | 1,319,538.00                          | 1,802,004.00                           | 482,466.00-            | 26.8-      |                |
| 1500                                 |                              | 287354                                  | 8,006.00-                             | 7,266.00-                              | 740.00-                | 10.2-      |                |
| 1500                                 |                              | 287806                                  | 449.00-                               | 348.00-                                | 101.00-                | 29.0-      |                |
| 1500                                 |                              | 287826                                  | 1,311,083.00                          | 1,794,390.00                           | 483,307.00-            | 26.9-      | *5*            |
|                                      |                              | Total Deferred U.S. Income Taxes        | 1,311,083.00                          | 1,794,390.00                           | 483,307.00-            | 26.9-      | *4*            |
|                                      |                              | Total Deferred Income Taxes             |                                       |                                        |                        |            |                |
|                                      |                              | Other Deferred Credits                  |                                       |                                        |                        |            |                |
|                                      |                              | Non-curr federal tax correction liabili | 110,414.00                            | 110,414.00                             | 0.00                   |            |                |
| 1500                                 |                              | 284806                                  | 1,922.00                              | 0.00                                   | 1,922.00               |            |                |
| 1500                                 |                              | 284807                                  | 14,348.00                             | 14,348.00                              | 0.00                   |            |                |
| 1500                                 |                              | 284826                                  | 293.00                                | 0.00                                   | 293.00                 |            |                |
| 1500                                 |                              | 284827                                  | 126,977.00                            | 124,762.00                             | 2,215.00               | 1.8        | *5*            |
|                                      |                              | Total Noncurrent Income Tax Liability   | 615,627.00-                           | 1,779,290.00-                          | 1,163,663.00           | 65.4       |                |
| 1500                                 |                              | 289997                                  | 615,627.00-                           | 1,779,290.00-                          | 1,163,663.00           | 65.4       | *5*            |
|                                      |                              | Other Deferred Credits - C&T            | 488,650.00-                           | 1,654,528.00-                          | 1,165,878.00           | 70.5       | *4*            |
|                                      |                              | Total Miscellaneous Deferred Credits    | 822,433.00                            | 139,862.00                             | 682,571.00             | 488.0      | *3*            |
|                                      |                              | Total Other Deferred Credits            |                                       |                                        |                        |            |                |
|                                      |                              | Total Deferred Credits                  | 3,594,160.67-                         | 6,522,293.67-                          | 2,928,133.00           | 44.9       | *2*            |
|                                      |                              | Total Liabilities                       |                                       |                                        |                        |            |                |
|                                      |                              | Stockholders Equity                     |                                       |                                        |                        |            |                |
|                                      |                              | Common Equity                           |                                       |                                        |                        |            |                |
|                                      |                              | Common Stock                            |                                       |                                        |                        |            |                |
|                                      |                              | APIC - FAS 109 Stock Options            | 6,632,269.00-                         | 6,632,269.00-                          | 0.00                   |            |                |
| 1500                                 |                              | 294502                                  | 5535,453,526.47-                      | 5535,453,526.47-                       | 0.00                   |            |                |
| 1500                                 |                              | 296000                                  | 5542,085,795.47-                      | 5542,085,795.47-                       | 0.00                   |            | *4*            |
|                                      |                              | Additional Paid-In Capital              |                                       |                                        |                        |            |                |
|                                      |                              | Total Common Stock                      |                                       |                                        |                        |            |                |
|                                      |                              | Retained Earnings                       |                                       |                                        |                        |            |                |
|                                      |                              | Unappropriated Retained Earnings        | 65,324,117.18-                        | 50,571,884.24-                         | 14,752,232.94-         | 29.2-      |                |
| 1500                                 |                              | 297000                                  | 603,152,370.18-                       | 164,263,503.52-                        | 438,888,866.66-        | 267.2-     |                |
| 1500                                 |                              | 297100                                  | 0.00                                  | 4,274,298.00-                          | 4,274,298.00-          | 100.0      |                |
| 1500                                 |                              | 599800                                  | 668,476,487.36-                       | 219,109,685.76-                        | 449,366,801.60-        | 205.1-     | *5*            |
|                                      |                              | Adjustments to Retained Earnings        | 4,836,572.00                          | 3,043,000.00                           | 1,793,572.00           | 58.9       |                |
| 1500                                 |                              | 297903                                  | 4,836,572.00                          | 3,043,000.00                           | 1,793,572.00           | 58.9       | *5*            |
|                                      |                              | Total Unappropriated Retained Earnings  | 4,836,572.00                          | 3,043,000.00                           | 1,793,572.00           | 58.9       |                |
|                                      |                              | Dividends to Stockholders               |                                       |                                        |                        |            |                |
|                                      |                              | Total Dividends Declared                |                                       |                                        |                        |            |                |
|                                      |                              | Profit/Loss for Current Year            |                                       |                                        |                        |            |                |
|                                      |                              | Net Result: Profit                      | 108,567,133.82-                       | 449,366,801.60-                        | 340,799,667.78         | 75.8       | *6*            |
|                                      |                              | Total Net Result: Profit                |                                       |                                        |                        |            |                |

| Company code |      | 1500 Business area | ****                                            |                                       |                                        |                        | Amounts in USD |                |  |  |
|--------------|------|--------------------|-------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|----------------|----------------|--|--|
| C            | Comp | Bus.               | Texts                                           | Reporting period<br>(01.2009-03.2009) | Comparison period<br>(01.2008-12.2008) | Absolute<br>difference | Rel<br>dif     | Sumtn<br>level |  |  |
| F            | code | area               |                                                 |                                       |                                        |                        |                |                |  |  |
|              |      |                    | Total Profit/Loss for Current Year              | 108,567,133.82-                       | 449,366,801.60-                        | 340,799,667.78         | 75.8           | *5*            |  |  |
|              |      |                    | Total Retained Earnings                         | 772,207,049.18-                       | 665,433,487.36-                        | 106,773,561.82-        | 16.0-          | *4*            |  |  |
|              |      |                    | Accumulated Other Comprehensive Income          |                                       |                                        |                        |                |                |  |  |
|              |      |                    | FAS 158 Unrecognized Pension Costs              |                                       |                                        |                        |                |                |  |  |
|              | 1500 |                    | 299105 FAS 158 Pension Accum OCI                | 1,358,620.08-                         | 1,373,231.34-                          | 14,611.26              | 1.1            |                |  |  |
|              | 1500 |                    | 299106 FAS 158 Post-Retirement Accum OCI        | 568,460.89-                           | 584,954.89-                            | 16,494.00              | 2.8            |                |  |  |
|              | 1500 |                    | 299107 FAS 158 SERP Accum OCI                   | 7,741,999.99-                         | 7,762,000.00-                          | 20,000.01              | 0.3            |                |  |  |
|              | 1500 |                    | 299115 Tax on FAS 158 Pension Accum OCI         | 515,543.00                            | 521,088.00                             | 5,545.00-              | 1.1-           |                |  |  |
|              | 1500 |                    | 299116 Tax on FAS 158 Post-Retirement Accum OCI | 215,736.00                            | 221,996.00                             | 6,260.00-              | 2.8-           |                |  |  |
|              | 1500 |                    | 299117 Tax on FAS 158 SERP Accum OCI            | 2,938,129.00                          | 2,945,719.00                           | 7,590.00-              | 0.3-           |                |  |  |
|              |      |                    | Total FAS 158 Unrecognized Pension Costs        | 5,999,672.96-                         | 6,031,383.23-                          | 31,710.27              | 0.5            | *5*            |  |  |
|              |      |                    | FAS 115 Securities Adjustments                  |                                       |                                        |                        |                |                |  |  |
|              | 1500 |                    | 298000 FAS 115 M-T-M Unrealized Gain/Loss       | 33,989.33-                            | 33,989.33-                             | 0.00                   |                |                |  |  |
|              | 1500 |                    | 298011 Tax on FAS 115 Securities Adjustments    | 12,899.36                             | 12,899.36                              | 0.00                   |                |                |  |  |
|              |      |                    | FAS 115 Securities Adjustments                  | 21,089.97-                            | 21,089.97-                             | 0.00                   |                |                |  |  |
|              |      |                    | Total Accumulated Other Comprehensive Income    | 6,020,762.93-                         | 6,052,473.20-                          | 31,710.27              | 0.5            | *4*            |  |  |
|              |      |                    | Common Equity                                   | 6320,313,607.58-                      | 6213,571,756.03-                       | 106,741,851.55-        | 1.7-           | *3*            |  |  |
|              |      |                    | Total Stockholders Equity                       | 6320,313,607.58-                      | 6213,571,756.03-                       | 106,741,851.55-        | 1.7-           | *2*            |  |  |
|              |      |                    | Total Liabilities & Stockholders Equity         | 6323,907,768.25-                      | 6220,094,049.70-                       | 103,813,718.55-        | 1.7-           | *1*            |  |  |

| Company code 1500 Business area ****     |              |                                                | Amounts in USD                        |                                        |                        |            |                |
|------------------------------------------|--------------|------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C Comp<br>F code                         | Bus.<br>area | Texts                                          | Reporting period<br>(01.2009-03.2009) | Comparison period<br>(01.2008-12.2008) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
| Earnings Available for Common            |              |                                                |                                       |                                        |                        |            |                |
| Net Income                               |              |                                                |                                       |                                        |                        |            |                |
| Income-Continuing Operations After Tax   |              |                                                |                                       |                                        |                        |            |                |
| Income-Continuing Operations Before Tax  |              |                                                |                                       |                                        |                        |            |                |
| Income From Operations                   |              |                                                |                                       |                                        |                        |            |                |
| Net Margin                               |              |                                                |                                       |                                        |                        |            |                |
| Gross Margin                             |              |                                                |                                       |                                        |                        |            |                |
| Cost of Goods Sold                       |              |                                                |                                       |                                        |                        |            |                |
| Purchased Power                          |              |                                                |                                       |                                        |                        |            |                |
| Purchased Power External                 |              |                                                |                                       |                                        |                        |            |                |
| 1500                                     |              | 505219 Purchased Power Expense Estimate        | 1,271,287.00-                         | 11,632,633.00-                         | 10,361,346.00          | 89.1       | *10*           |
|                                          |              | Total Purchased Power External                 | 1,271,287.00-                         | 11,632,633.00-                         | 10,361,346.00          | 89.1       | *9*            |
|                                          |              | Total Purchased Power                          | 1,271,287.00-                         | 11,632,633.00-                         | 10,361,346.00          | 89.1       | *8*            |
|                                          |              | Total Cost of Goods Sold                       | 1,271,287.00-                         | 11,632,633.00-                         | 10,361,346.00          | 89.1       | *7*            |
|                                          |              | Total Gross Margin                             | 1,271,287.00-                         | 11,632,633.00-                         | 10,361,346.00          | 89.1       |                |
| Operations, Maintenance, Admin & General |              |                                                |                                       |                                        |                        |            |                |
| Salary Overhead/Benefits                 |              |                                                |                                       |                                        |                        |            |                |
| 1500                                     |              | 501100 Pension/Superannuation                  | 14,611.26-                            | 621,652.66-                            | 607,041.40             | 97.6       |                |
| 1500                                     |              | 501115 SERP Plan                               | 20,000.01-                            | 153,000.00-                            | 132,999.99             | 86.9       |                |
| 1500                                     |              | 501150 Post Retirement                         | 16,494.00-                            | 64,247.11-                             | 47,753.11              | 74.3       |                |
|                                          |              | Total Salary Overhead/Benefits                 | 51,105.27-                            | 838,899.77-                            | 787,794.50             | 93.9       | *8*            |
| Contracts & Services                     |              |                                                |                                       |                                        |                        |            |                |
| 1500                                     |              | 530071 Environmental Expense - EPA/DOT/Other   | 0.00                                  | 726,388.00                             | 726,388.00-            | 100.0-     |                |
| 1500                                     |              | 530190 Miscellaneous Contracts & Services      | 0.00                                  | 3,665,941.00-                          | 3,665,941.00           | 100.0      |                |
|                                          |              | Total Contracts & Services                     | 0.00                                  | 2,939,553.00-                          | 2,939,553.00           | 100.0      | *8*            |
| 1500                                     |              | OMAG Expenses - MidAmerican                    |                                       |                                        |                        |            |                |
| 545266                                   |              | MidAmerican Mgmt Fee - (426.5)                 | 20,000.00                             | 0.00                                   | 20,000.00              |            | *8*            |
|                                          |              | Total OMAG Expenses - MidAmerican              | 20,000.00                             | 0.00                                   | 20,000.00              |            |                |
| Other O&M and A&G Expense                |              |                                                |                                       |                                        |                        |            |                |
| 545500                                   |              | Settlement Fees                                | 0.00                                  | 500,000.00-                            | 500,000.00             | 100.0      |                |
| 1500                                     |              | 545505 Restructuring Expense (FV)              | 0.00                                  | 6,916,178.73-                          | 6,916,178.73           | 100.0      |                |
| 1500                                     |              | 545510 Regulatory Penalties & Fines            | 0.00                                  | 1,333,333.33-                          | 1,333,333.33           | 100.0      |                |
| 1500                                     |              | 545990 AUC Expensed                            | 0.00                                  | 766,372.00-                            | 766,372.00             | 100.0      |                |
| 1500                                     |              | 554100 Loss on Disposition of Property         | 0.00                                  | 2,502,017.00-                          | 2,502,017.00           | 100.0      |                |
| 1500                                     |              | 582400 FERC Annual Fee                         | 0.00                                  | 1,166,553.40-                          | 1,166,553.40           | 100.0      |                |
|                                          |              | Total Other O&M and A&G Expense                | 0.00                                  | 13,184,454.46-                         | 13,184,454.46          | 100.0      | *8*            |
|                                          |              | Total Operations,Maintenance, Admin & General  | 31,105.27-                            | 16,962,907.23-                         | 16,931,801.96          | 99.8       | *7*            |
|                                          |              | Total Net Margin                               | 1,302,392.27-                         | 28,595,540.23-                         | 27,293,147.96          | 95.4       | *6*            |
| Depreciation and Amortization            |              |                                                |                                       |                                        |                        |            |                |
| Amortization                             |              |                                                |                                       |                                        |                        |            |                |
| 1500                                     |              | 566140 Software Development                    | 0.00                                  | 685,489.00-                            | 685,489.00             | 100.0      |                |
|                                          |              | Total Amortization                             | 0.00                                  | 685,489.00-                            | 685,489.00             | 100.0      | *7*            |
|                                          |              | Total Depreciation and Amortization            | 0.00                                  | 685,489.00-                            | 685,489.00             | 100.0      | *6*            |
|                                          |              | Total Income From Operations                   | 1,302,392.27-                         | 29,281,029.23-                         | 27,978,636.96          | 95.6       | *5*            |
| Interest Expense and Other               |              |                                                |                                       |                                        |                        |            |                |
| Interest Expense Net                     |              |                                                |                                       |                                        |                        |            |                |
| Interest Income                          |              |                                                |                                       |                                        |                        |            |                |
| 1500                                     |              | 385400 Interest Income                         | 762,000.00-                           | 3,085,000.00-                          | 2,323,000.00           | 75.3       |                |
|                                          |              | Interest Income External                       | 762,000.00-                           | 3,085,000.00-                          | 2,323,000.00           | 75.3       | *8*            |
|                                          |              | Total Interest Income                          | 762,000.00-                           | 3,085,000.00-                          | 2,323,000.00           | 75.3       | *7*            |
|                                          |              | Total Interest Expense Net                     | 762,000.00-                           | 3,085,000.00-                          | 2,323,000.00           | 75.3       | *6*            |
| Minority Interest & Other                |              |                                                |                                       |                                        |                        |            |                |
| Minority Interest                        |              |                                                |                                       |                                        |                        |            |                |
| 1500                                     |              | 585035 Minority Interest-Pref Stock-PacifiCorp | 520,947.43                            | 2,083,789.72                           | 1,562,842.29-          | 75.0-      |                |
|                                          |              | Total Minority Interest                        | 520,947.43                            | 2,083,789.72                           | 1,562,842.29-          | 75.0-      | *7*            |
| Equity in Subsidiary Earnings            |              |                                                |                                       |                                        |                        |            |                |
| 1500                                     |              | 375100 Equity Earnings - PacifiCorp            | 107,514,766.98-                       | 438,888,866.66-                        | 331,374,099.68         | 75.5       |                |

| Company code 1500 Business area |              |                                          | Amounts in USD                        |                                        |                        |            |                |
|---------------------------------|--------------|------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C Comp<br>F code                | Bus.<br>area | Texts                                    | Reporting period<br>(01.2009-03.2009) | Comparison period<br>(01.2008-12.2008) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
|                                 |              | Total Equity in Subsidiary Earnings      | 107,514,766.98-                       | 438,888,866.66-                        | 331,374,099.68         | 75.5       | *7*            |
|                                 |              | Total Minority Interest & Other          | 106,993,819.55-                       | 436,805,076.94-                        | 329,811,257.39         | 75.5       | *6*            |
|                                 |              | Total Interest Expense and Other         | 107,755,819.55-                       | 439,890,076.94-                        | 332,134,257.39         | 75.5       | *5*            |
|                                 |              | Income-Continuing Operations Before Tax  | 109,058,211.82-                       | 469,171,106.17-                        | 360,112,894.35         | 76.8       | *4*            |
|                                 |              | Income Tax Expense                       |                                       |                                        |                        |            |                |
|                                 |              | U.S. Income Tax Expense                  |                                       |                                        |                        |            |                |
|                                 |              | Income Tax Expense Federal               |                                       |                                        |                        |            |                |
| 1500                            |              | Income Tax Expense-Federal               | 215,918.00                            | 9,823,723.20                           | 9,607,805.20-          | 97.8-      |                |
| 1500                            |              | Current federal tax correction expense   | 1,412,085.00-                         | 1,508,348.00-                          | 96,263.00              | 6.4        |                |
| 1500                            |              | Current federal tax correction interest  | 211,949.00-                           | 1,629,474.00-                          | 1,417,525.00           | 87.0       |                |
| 1500                            |              | Federal uncertain tax position provision | 1,429,924.00-                         | 10,238,549.00-                         | 11,668,473.00          | 114.0      |                |
| 1500                            |              | Federal uncertain tax position interest  | 157,786.00-                           | 2,772,039.00                           | 2,929,825.00-          | 105.7-     |                |
|                                 |              | Total Current Federal                    | 135,978.00-                           | 780,608.80-                            | 644,630.80             | 82.6       | *7*            |
| 1500                            |              | Deferred Tax Exp-Dr-Federal-Electric     | 441,824.00                            | 9,337,595.37                           | 8,895,771.37-          | 95.3-      |                |
| 1500                            |              | Deferred federal tax correction expense  | 1,491,394.00                          | 832,521.00-                            | 2,323,915.00           | 279.1      |                |
| 1500                            |              | Deferred federal uncertain tax position  | 1,371,365.00-                         | 8,907,246.00-                          | 10,278,611.00-         | 115.4-     |                |
|                                 |              | Total Deferred Federal                   | 561,853.00                            | 17,412,320.37                          | 16,850,467.37-         | 96.8-      | *7*            |
|                                 |              | Total Income Tax Expense Federal         | 425,875.00                            | 16,631,711.57                          | 16,205,836.57-         | 97.4-      | *6*            |
|                                 |              | Income Tax Expense State                 |                                       |                                        |                        |            |                |
| 1500                            |              | State Income Tax                         | 29,340.00                             | 1,506,963.00                           | 1,477,623.00-          | 98.1-      |                |
| 1500                            |              | Current state tax correction expense     | 183,167.00-                           | 941,945.00                             | 1,125,112.00-          | 119.4-     |                |
| 1500                            |              | Current state tax correction interest    | 25,425.00-                            | 727,809.00-                            | 702,384.00             | 96.5       |                |
| 1500                            |              | State uncertain tax position provision   | 185,482.00                            | 1,412,799.00-                          | 1,598,281.00           | 113.1      |                |
| 1500                            |              | State uncertain tax position interest    | 17,483.00-                            | 352,150.00-                            | 369,633.00-            | 105.0-     |                |
| 1500                            |              | Current state tax interest income        | 0.00                                  | 190,386.00                             | 190,386.00-            | 100.0-     |                |
|                                 |              | Total Current State                      | 11,253.00-                            | 850,836.00                             | 862,089.00-            | 101.3-     | *7*            |
| 1500                            |              | Def Tax Exp - DR - State - Electric      | 60,037.00                             | 1,268,830.00                           | 1,208,793.00-          | 95.3-      |                |
| 1500                            |              | Deferred state tax correction expense    | 193,944.00                            | 94,261.00-                             | 288,205.00             | 305.8      |                |
| 1500                            |              | Deferred state uncertain tax position e  | 177,525.00-                           | 1,147,188.00                           | 1,324,713.00-          | 115.5-     |                |
|                                 |              | Total Deferred State                     | 76,456.00                             | 2,321,757.00                           | 2,245,301.00-          | 96.7-      | *7*            |
|                                 |              | Total Income Tax Expense State           | 65,203.00                             | 3,172,593.00                           | 3,107,390.00-          | 97.9-      | *6*            |
|                                 |              | Total U.S. Income Tax Expense            | 491,078.00                            | 19,804,304.57                          | 19,313,226.57-         | 97.5-      | *5*            |
|                                 |              | Total Income Tax Expense                 | 491,078.00                            | 19,804,304.57                          | 19,313,226.57-         | 97.5-      | *4*            |
|                                 |              | Income-Continuing Operations After Tax   | 108,567,133.82-                       | 449,366,801.60-                        | 340,799,667.78         | 75.8       | *3*            |
|                                 |              | Net Income                               | 108,567,133.82-                       | 449,366,801.60-                        | 340,799,667.78         | 75.8       | *2*            |
|                                 |              | Earnings Available for Common            | 108,567,133.82-                       | 449,366,801.60-                        | 340,799,667.78         | 75.8       | *1*            |

| Company code |      |      | 1500 Business area    |                   | ****            |       |       | Amounts in USD |  |  |
|--------------|------|------|-----------------------|-------------------|-----------------|-------|-------|----------------|--|--|
| C            | Comp | Bus. | Reporting period      | Comparison period | Absolute        | Rel   | Sumtn |                |  |  |
| F            | code | area | (01.2009-03.2009)     | (01.2008-12.2008) | difference      | dif   | level |                |  |  |
|              |      |      |                       |                   |                 |       |       |                |  |  |
|              |      |      | 108,567,133.82        | 449,366,801.60    | 340,799,667.78- | 75.8- | *1*   |                |  |  |
|              |      |      | Earnings Contribution |                   |                 |       |       |                |  |  |
|              |      |      | Earnings Contribution |                   |                 |       |       |                |  |  |

**Energy West Mining Company  
Intercompany Transactions  
For the Year Ended December 31, 2007**

| <u>Account Description</u>     | <u>PacifiCorp<br/>Received<br/>Services (a)</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|--------------------------------|-------------------------------------------------|---------------------------------------------|
| Fuel purchased/sold            | \$ 101,050,935.75                               | \$ -                                        |
| Labor                          | -                                               | 169.16                                      |
| Electricity sold/purchased (b) | -                                               | 3,383,201.39                                |
| <b>Total</b>                   | <b>\$ 101,050,935.75</b>                        | <b>\$ 3,383,370.55</b>                      |

(a) Represents the amount of coal received by PacifiCorp from Energy West Mining Company during the year ended December 31, 2007.

(b) Represents electricity sold by PacifiCorp to Energy West Mining Company at tariff.

| Company code 2050 Business area **** |                                                       | Amounts in USD                     |                                     |                     |         |             |
|--------------------------------------|-------------------------------------------------------|------------------------------------|-------------------------------------|---------------------|---------|-------------|
| C                                    | Comp Bus. Texts                                       | Reporting period (01.2008-12.2008) | Comparison period (01.2007-09.2007) | Absolute difference | Rel dif | Sumtn level |
|                                      | F code area                                           |                                    |                                     |                     |         |             |
|                                      | Assets                                                |                                    |                                     |                     |         |             |
|                                      | Current Assets                                        |                                    |                                     |                     |         |             |
|                                      | Cash and Cash Equivalents                             |                                    |                                     |                     |         |             |
| 2050                                 | 102050 EW Cash Payroll - Non Recon.                   | 1,000.00                           | 1,000.00                            | 0.00                |         |             |
| 2050                                 | 103050 EW Cash Supplemental Unemployment - Non Recon. | 10,473.36                          | 10,473.36                           | 0.00                |         |             |
| 2050                                 | 104050 EW Cash Accounts Payable - Non Recon.          | 338,505.21                         | 102,050.52                          | 236,454.69          | 231.7-  |             |
| 2050                                 | 107050 EW Payroll Control - Non Recon.                | 8,525.76                           | 24,022.75                           | 15,496.99           | 64.5-   |             |
|                                      | Total Other Cash                                      | 318,506.09                         | 66,554.41                           | 251,951.68          | 378.6-  | *4*         |
|                                      | Total Cash and Cash Equivalents                       | 318,506.09                         | 66,554.41                           | 251,951.68          | 378.6-  | *3*         |
|                                      | Accounts Receivable, Net                              |                                    |                                     |                     |         |             |
| 2050                                 | 116412 Emp Pmt Deduction-Miscellaneous Receiva        | 0.00                               | 4,451.27                            | 4,451.27            | 100.0   |             |
| 2050                                 | 116415 Employee Advances                              | 250.00                             | 2,149.97                            | 1,899.97            | 88.4-   |             |
| 2050                                 | 116850 Accounts Receivable - Other                    | 118,513.09                         | 2,219.12                            | 116,293.97          | 5240.5  |             |
|                                      | Total Other Accounts Receivable                       | 118,763.09                         | 82.18                               | 118,845.27          | *4615.8 | *5*         |
|                                      | Total Accounts Receivable                             | 118,763.09                         | 82.18                               | 118,845.27          | *4615.8 | *4*         |
|                                      | Total Accounts Receivable, Net                        | 118,763.09                         | 82.18                               | 118,845.27          | *4615.8 | *3*         |
|                                      | Amounts Due From Affiliates                           |                                    |                                     |                     |         |             |
| 2050                                 | 116000 Amounts Due from PacifiCorp Affiliates         | 9,178,055.53                       | 16,430,296.84                       | 7,252,241.31        | 44.1    |             |
|                                      | Intercompany A/R - Current                            | 9,178,055.53                       | 16,430,296.84                       | 7,252,241.31        | 44.1    | *5*         |
|                                      | Total Accounts Receivable - Affiliates                | 9,178,055.53                       | 16,430,296.84                       | 7,252,241.31        | 44.1    | *4*         |
|                                      | Total Amounts Due from PacifiCorp Affiliates          | 9,178,055.53                       | 16,430,296.84                       | 7,252,241.31        | 44.1    | *3*         |
|                                      | Total Amounts Due From Affiliates                     | 9,178,055.53                       | 16,430,296.84                       | 7,252,241.31        | 44.1    |             |
|                                      | Material and Supplies                                 |                                    |                                     |                     |         |             |
| 2050                                 | 120001 Other Materials & Supplies/General Stoc        | 4,314,407.96                       | 3,408,499.90                        | 905,908.06          | 26.6    |             |
|                                      | Total Material and Supplies                           | 4,314,407.96                       | 3,408,499.90                        | 905,908.06          | 26.6    | *3*         |
|                                      | Fuel Inventory                                        |                                    |                                     |                     |         |             |
| 2050                                 | Fuel Inventory External                               | 20,400,937.17                      | 27,607,097.45                       | 7,206,160.28        | 26.1-   |             |
|                                      | Delivered Coal Inventory                              | 20,400,937.17                      | 27,607,097.45                       | 7,206,160.28        | 26.1-   | *4*         |
|                                      | Total Inventory External                              | 20,400,937.17                      | 27,607,097.45                       | 7,206,160.28        | 26.1-   | *3*         |
|                                      | Total Fuel Inventory                                  | 20,400,937.17                      | 27,607,097.45                       | 7,206,160.28        | 26.1-   |             |
|                                      | Other Current Assets                                  |                                    |                                     |                     |         |             |
| 2050                                 | 132000 Prepayments - Insurance                        | 159,557.00                         | 172,028.00                          | 12,471.00           | 7.2-    |             |
| 2050                                 | 132900 Prepayments - Other                            | 2,340.10                           | 3,340.10                            | 1,000.00            | 29.9-   |             |
|                                      | Total Prepayments - External                          | 161,897.10                         | 175,368.10                          | 13,471.00           | 7.7-    | *5*         |
|                                      | Total Prepayments                                     | 161,897.10                         | 175,368.10                          | 13,471.00           | 7.7-    | *4*         |
|                                      | Margin Deposits and Other                             |                                    |                                     |                     |         |             |
| 2050                                 | 134300 Other Current Deferred Charges                 | 6,919.48                           | 313,360.17                          | 320,279.65          | 102.2-  |             |
|                                      | Total Margin Deposits and Other                       | 6,919.48                           | 313,360.17                          | 320,279.65          | 102.2-  | *4*         |
|                                      | Total Other Current Assets                            | 154,977.62                         | 488,728.27                          | 333,750.65          | 68.3-   | *3*         |
|                                      | Total Current Assets                                  | 15,492,524.22                      | 15,007,392.19                       | 485,132.03          | 3.2     | *2*         |
|                                      | Other Assets                                          |                                    |                                     |                     |         |             |
| 2050                                 | Deferred Charges and Other Assets                     |                                    |                                     |                     |         |             |
|                                      | Deferred Charges                                      | 572,639.42                         | 1,768,552.00                        | 1,195,912.58        | 67.6-   |             |
|                                      | 134200 Deferred Longwall Costs                        | 572,639.42                         | 1,768,552.00                        | 1,195,912.58        | 67.6-   | *5*         |
|                                      | Total Other Deferred Charges                          | 572,639.42                         | 1,768,552.00                        | 1,195,912.58        | 67.6-   | *4*         |
|                                      | Total Deferred Charges                                | 572,639.42                         | 1,768,552.00                        | 1,195,912.58        | 67.6-   | *3*         |
|                                      | Total Deferred Charges and Other Assets               | 572,639.42                         | 1,768,552.00                        | 1,195,912.58        | 67.6-   |             |

| Company code            |                                    | 2050 Business area                  | Amounts in USD      |         |              |  |
|-------------------------|------------------------------------|-------------------------------------|---------------------|---------|--------------|--|
| C Comp Bus. F code area | Reporting period (01.2008-12.2008) | Comparison period (01.2007-09.2007) | Absolute difference | Rel dif | Sumtrn level |  |
|                         | 572,639.42                         | 1,768,552.00                        | 1,195,912.58-       | 67.6-   | *2*          |  |
| Total Other Assets      |                                    | 16,775,944.19                       | 710,780.55-         | 4.2-    | *1*          |  |
| Total Assets            | 16,065,163.64                      |                                     |                     |         |              |  |

| Company code      | 2050 Business area | ****                                           | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtrn<br>level |
|-------------------|--------------------|------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|-----------------|
| C Comp Bus. Texts | F code area        |                                                |                                       |                                        |                        |            |                 |
|                   |                    | Liabilities & Stockholders Equity              |                                       |                                        |                        |            |                 |
|                   |                    | Liabilities                                    |                                       |                                        |                        |            |                 |
|                   |                    | Current Liabilities                            |                                       |                                        |                        |            |                 |
|                   |                    | Accounts Payable - Trade                       |                                       |                                        |                        |            |                 |
| 2050              |                    | 210614 Accrued Accounts Payable - Mining       | 408,645.62-                           | 2,735,440.22-                          | 2,326,794.60           | 85.1       | *6*             |
| 2050              |                    | Total Accounts Payable Trade - Other           | 408,645.62-                           | 2,735,440.22-                          | 2,326,794.60           | 85.1       | *5*             |
| 2050              |                    | Total Accounts Payable                         | 408,645.62-                           | 2,735,440.22-                          | 2,326,794.60           | 85.1       |                 |
| 2050              |                    | Accounts Payable - Other Accruals Ext          |                                       |                                        |                        |            |                 |
| 2050              |                    | 210599 Accrued Liabilities                     | 3,526,681.06-                         | 3,109,713.74-                          | 416,967.32-            | 13.4-      |                 |
| 2050              |                    | 215124 Mining Division - Reclamation Fee       | 117,120.51-                           | 101,995.13-                            | 15,125.38-             | 14.8-      |                 |
| 2050              |                    | 220000 Accounts Payable - Other                | 1,047,687.62-                         | 786,169.36-                            | 261,518.26-            | 33.3-      |                 |
| 2050              |                    | 235230 Accrual - Royalties                     | 1,028,273.87-                         | 304,251.46-                            | 724,022.41-            | 238.0-     |                 |
| 2050              |                    | Total Accts Payable Accruals - Other           | 5,719,763.06-                         | 4,302,129.69-                          | 1,417,633.37-          | 33.0-      | *6*             |
| 2050              |                    | Total Accounts Payable - Other Accruals Ext    | 5,719,763.06-                         | 4,302,129.69-                          | 1,417,633.37-          | 33.0-      | *5*             |
| 2050              |                    | Total Accounts Payable                         | 6,128,408.68-                         | 7,037,569.91-                          | 909,161.23             | 12.9       | *4*             |
| 2050              |                    | Accrued Employee Expenses                      |                                       |                                        |                        |            |                 |
| 2050              |                    | 211110 Credit Union Withholdings               | 0.00                                  | 6,886.05-                              | 6,886.05               | 100.0      |                 |
| 2050              |                    | 211111 Savings Bonds Withholdings              | 75.00-                                | 25.00-                                 | 50.00-                 | 200.0-     |                 |
| 2050              |                    | 211116 Dependent Support/Levy Withholdings     | 0.00                                  | 199.50-                                | 199.50                 | 100.0      |                 |
| 2050              |                    | 211149 Other Payroll Liability                 | 0.00                                  | 500.13-                                | 500.13                 | 100.0      |                 |
| 2050              |                    | 215104 Mining Division - Payroll Accrual       | 399,000.00-                           | 434,367.08-                            | 35,367.08              | 8.1        |                 |
| 2050              |                    | 215122 Accrued UMWA Royalties                  | 317,499.06-                           | 211,361.50-                            | 106,137.56-            | 50.2-      |                 |
| 2050              |                    | 215125 Mining Division - Vac Pay & Fixed Ovhd  | 1,884,278.95-                         | 1,727,620.82-                          | 156,658.13-            | 9.1-       |                 |
| 2050              |                    | 215127 Mining Division - Fica                  | 212,486.00-                           | 205,205.93-                            | 7,280.07-              | 3.5-       |                 |
| 2050              |                    | 215510 Med/Dent/Vision - Energy West           | 1,306,239.27-                         | 1,161,000.00-                          | 145,239.27-            | 12.5-      |                 |
| 2050              |                    | 215512 Dependent Life - Energy West            | 219.26                                | 614.19                                 | 833.45                 | 135.7      |                 |
| 2050              |                    | 215514 K Plus Co. Match & Admin Energy West    | 20,935.07                             | 3,303.63                               | 17,631.44              | 533.7      |                 |
| 2050              |                    | 215515 E.W. Health Care Reimb                  | 0.00                                  | 3,303.63                               | 3,303.63               | 100.0      |                 |
| 2050              |                    | 215521 E.W. Health Care Reimb                  | 2,683.39-                             | 2,053.90-                              | 629.49-                | 30.6-      |                 |
| 2050              |                    | 215522 E.W. Depend Care Reimb                  | 480.00-                               | 0.00                                   | 480.00-                |            |                 |
| 2050              |                    | Total Employee Payroll & Benefits Payable      | 4,101,587.34-                         | 3,749,834.10-                          | 351,753.24-            | 9.4-       | *5*             |
| 2050              |                    | 248107 Sick Leave Liability-Utah               | 811,814.80-                           | 759,918.24-                            | 51,896.56-             | 6.8-       |                 |
| 2050              |                    | Total Vacation, PT & Sick Leave Accruals       | 811,814.80-                           | 759,918.24-                            | 51,896.56-             | 6.8-       | *5*             |
| 2050              |                    | Total Accrued Employee Expenses                | 4,913,402.14-                         | 4,509,752.34-                          | 403,649.80-            | 9.0-       | *4*             |
| 2050              |                    | Taxes Payable                                  |                                       |                                        |                        |            |                 |
| 2050              |                    | 240310 Provision for Unemployment Taxes        | 129,508.60-                           | 47,848.55-                             | 81,660.05-             | 170.7-     |                 |
| 2050              |                    | Total Accrued Payroll Taxes                    | 129,508.60-                           | 47,848.55-                             | 81,660.05-             | 170.7-     | *5*             |
| 2050              |                    | 235301 Federal Excise Tax On Coal - Deer Creek | 84,757.31-                            | 132,489.97-                            | 47,732.66              | 36.0       |                 |
| 2050              |                    | Total Accrued Taxes - Other                    | 84,757.31-                            | 132,489.97-                            | 47,732.66              | 36.0       | *5*             |
| 2050              |                    | Total Taxes Payable                            | 214,265.91-                           | 180,338.52-                            | 33,927.39-             | 18.8-      | *4*             |
| 2050              |                    | Other Current Liabilities                      |                                       |                                        |                        |            |                 |
| 2050              |                    | 211200 Payroll Taxes Payable                   | 193,842.59-                           | 372,970.62-                            | 179,128.03             | 48.0       |                 |
| 2050              |                    | 211220 Social Security Tax Withholding         | 31,881.52-                            | 170,401.00-                            | 138,519.48             | 81.3       |                 |
| 2050              |                    | Total Payroll Related Tax Withholdings         | 225,724.11-                           | 543,371.62-                            | 317,647.51             | 58.5       | *5*             |
| 2050              |                    | 245949 Ut St Mineral Ryty Withlding Tax-Peabod | 0.00                                  | 281.54-                                | 281.54                 | 100.0      |                 |
| 2050              |                    | 245950 Ut St Mineral Ryty Withlding Tx-Mckinn  | 0.00                                  | 342.56-                                | 342.56                 | 100.0      |                 |
| 2050              |                    | Total Franchise, Sales & Other Taxes           | 0.00                                  | 624.10-                                | 624.10                 | 100.0      |                 |
| 2050              |                    | 249999 Other Deferred Credits - Current Portio | 60,893.58-                            | 0.00                                   | 60,893.58-             |            | *5*             |
| 2050              |                    | Total Miscellaneous Current Liabilities        | 60,893.58-                            | 0.00                                   | 60,893.58-             |            | *4*             |
| 2050              |                    | Total Other Current Liabilities                | 286,617.69-                           | 543,995.72-                            | 257,378.03             | 47.3       | *3*             |
| 2050              |                    | Total Current Liabilities                      | 11,542,694.42-                        | 12,271,656.49-                         | 728,962.07             | 5.9        |                 |
| 2050              |                    | Deferred Credits                               |                                       |                                        |                        |            |                 |
| 2050              |                    | 288503 Regulatory Liabilities                  | 497,174.95-                           | 461,448.85-                            | 35,726.10-             | 7.7-       |                 |
| 2050              |                    | Total FAS 143 ARO Regulatory Liabilities       | 497,174.95-                           | 461,448.85-                            | 35,726.10-             | 7.7-       | *5*             |

| Company code |      | 2050 Business area                            | Amounts in USD    |                   |            |       |
|--------------|------|-----------------------------------------------|-------------------|-------------------|------------|-------|
| C            | Comp | Bus.                                          | Reporting period  | Comparison period | Absolute   | Sumtn |
| F            | code | area                                          | (01.2008-12.2008) | (01.2007-09.2007) | difference | level |
|              |      | Texts                                         |                   |                   |            |       |
| 2050         |      | 283307 Reg Liab - Mine Reclamation Costs      | 1,131,538.29-     | 1,146,738.29-     | 15,200.00  | 1.3   |
|              |      | Total Reg Liability Non-ARO Removal Costs     | 1,131,538.29-     | 1,146,738.29-     | 15,200.00  | 1.3   |
|              |      | Total Regulatory Liabilities                  | 1,628,713.24-     | 1,608,187.14-     | 20,526.10- | 1.3-  |
|              |      | Other Deferred Credits                        |                   |                   |            |       |
| 2050         |      | 289511 Deseret Mine Reclamation               | 548,042.20-       | 554,642.20-       | 6,600.00   | 1.2   |
| 2050         |      | 289519 Mining Provisions - Reclass to Current | 60,893.58         | 60,893.58         | 60,893.58  |       |
|              |      | Total Mining Provisions                       | 487,148.62-       | 554,642.20-       | 67,493.58  | 12.2  |
| 2050         |      | 284915 ARO Liab - Deer Creek Mine Reclamation | 2,405,607.36-     | 2,340,458.36-     | 65,149.00- | 2.8-  |
|              |      | Total ARO & Decommissioning Liabilities       | 2,405,607.36-     | 2,340,458.36-     | 65,149.00- | 2.8-  |
|              |      | Total Other Deferred Credits                  | 2,892,755.98-     | 2,895,100.56-     | 2,344.58   | 0.1   |
|              |      | Total Deferred Credits                        | 4,521,469.22-     | 4,503,287.70-     | 18,181.52- | 0.4-  |
|              |      | Total Liabilities                             | 16,064,163.64-    | 16,774,944.19-    | 710,780.55 | 4.2   |
|              |      | Stockholders Equity                           |                   |                   |            |       |
|              |      | Common Equity                                 |                   |                   |            |       |
| 2050         |      | Common Stock                                  | 1,000.00-         | 1,000.00-         | 0.00       |       |
|              |      | 293000 Common Shares Issued                   | 1,000.00-         | 1,000.00-         | 0.00       |       |
|              |      | Total Common Stock                            |                   |                   |            |       |
|              |      | Retained Earnings                             |                   |                   |            |       |
|              |      | Profit/Loss for Current Year                  |                   |                   |            |       |
|              |      | Net Result: Profit                            | 0.00              | 0.00              | 0.00       |       |
|              |      | Total Net Result: Profit                      |                   |                   |            |       |
|              |      | Net Result: Loss                              |                   |                   |            |       |
|              |      | Total Net Result: Loss                        | 0.00              | 0.00              | 0.00       |       |
|              |      | Total Profit/Loss for Current Year            | 0.00              | 0.00              | 0.00       |       |
|              |      | Total Retained Earnings                       | 1,000.00-         | 1,000.00-         | 0.00       |       |
|              |      | Common Equity                                 |                   |                   |            |       |
|              |      | Total Stockholders Equity                     | 1,000.00-         | 1,000.00-         | 0.00       |       |
|              |      | Total Liabilities & Stockholders Equity       | 16,065,163.64-    | 16,775,944.19-    | 710,780.55 | 4.2   |

| Company code                  |      | 2050 Business area                              | **** | Amounts in USD    |                   |               |         |       |  |
|-------------------------------|------|-------------------------------------------------|------|-------------------|-------------------|---------------|---------|-------|--|
| C Comp                        | Bus. | Texts                                           |      | Reporting period  | Comparison period | Absolute      | Rel     | Sumtn |  |
| F code                        | area |                                                 |      | (01.2008-12.2008) | (01.2007-09.2007) | difference    | diff    | level |  |
| Earnings Available for Common |      |                                                 |      |                   |                   |               |         |       |  |
|                               |      | Net Income                                      |      |                   |                   |               |         |       |  |
|                               |      | Income-Continuing Operations After Tax          |      |                   |                   |               |         |       |  |
|                               |      | Income-Continuing Operations Before Tax         |      |                   |                   |               |         |       |  |
|                               |      | Income From Operations                          |      |                   |                   |               |         |       |  |
|                               |      | Net Margin                                      |      |                   |                   |               |         |       |  |
|                               |      | Operations, Maintenance, Admin & General        |      |                   |                   |               |         |       |  |
|                               |      | Salary Expense                                  |      |                   |                   |               |         |       |  |
| 2050                          |      | 500100 Regular/Ordinary Time                    |      | 15,681,241.38     | 10,629,045.54     | 5,052,195.84  | 47.5    | *9*   |  |
| 2050                          |      | 500100 Subtotal Regular/Ordinary Time           |      | 15,681,241.38     | 10,629,045.54     | 5,052,195.84  | 47.5    | *9*   |  |
| 2050                          |      | 500200 Overtime                                 |      | 2,702,268.32      | 1,852,798.57      | 849,469.75    | 45.8    | *9*   |  |
| 2050                          |      | 500400 Subtotal Overtime Pay                    |      | 2,702,268.32      | 1,852,798.57      | 849,469.75    | 45.8    | *9*   |  |
| 2050                          |      | 500400 Bonus/Incentive                          |      | 1,117,690.53      | 727,046.14        | 390,644.39    | 53.7    | *9*   |  |
| 2050                          |      | 500600 Subtotal Bonus/Incentive                 |      | 1,117,690.53      | 727,046.14        | 390,644.39    | 53.7    | *9*   |  |
| 2050                          |      | 500600 Temporary/Contract Labor                 |      | 32,989.00         | 24,640.00         | 8,349.00      | 33.9    |       |  |
| 2050                          |      | 500850 Other Salary/Labor Costs                 |      | 1,501.85          | 0.00              | 1,501.85      |         |       |  |
| 2050                          |      | 554829 Mining - Salary Expense - Credit         |      | 19,532,856.54     | 0.00              | 19,532,856.54 |         |       |  |
| 2050                          |      | 699000 Labor FI/CO Recon                        |      | 169.16            | 0.00              | 169.16        |         |       |  |
| 2050                          |      | Subtotal Other Salary Expense                   |      | 19,501,200.23     | 24,640.00         | 19,525,840.23 | *244.5- | *9*   |  |
|                               |      | Total Salary Expense                            |      | 0.00              | 13,233,530.25     | 13,233,530.25 | 100.0-  | *8*   |  |
|                               |      | Salary Overhead/Benefits                        |      |                   |                   |               |         |       |  |
| 2050                          |      | 500500 Leave/PT/Vacation/Sick                   |      | 3,775,674.35      | 2,478,960.81      | 1,296,713.54  | 52.3    |       |  |
| 2050                          |      | 501100 Pension/Superannuation                   |      | 687,120.24        | 0.00              | 687,120.24    |         |       |  |
| 2050                          |      | 501102 Pension Administration                   |      | 0.00              | 912,956.44        | 912,956.44    | 100.0-  |       |  |
| 2050                          |      | 501125 Medical                                  |      | 5,032,727.78      | 3,650,061.85      | 1,382,665.93  | 37.9    |       |  |
| 2050                          |      | 501150 Post Retirement                          |      | 5,307,283.00      | 4,120,731.70      | 1,186,551.30  | 28.8    |       |  |
| 2050                          |      | 501160 Post Employment Benefits (FAS 112)       |      | 1,773,130.01      | 0.00              | 1,773,130.01  |         |       |  |
| 2050                          |      | 501225 Life                                     |      | 413,496.74        | 5,257.52          | 408,239.22    | 7764.9  |       |  |
| 2050                          |      | 501250 Stock/401(k)/ESOP                        |      | 285,482.25        | 215,121.41        | 70,360.84     | 32.7    |       |  |
| 2050                          |      | 501325 Physical Exams                           |      | 10,433.38         | 6,775.72          | 3,657.66      | 54.0    |       |  |
| 2050                          |      | 501650 Worker's Comp/WorkCover Levy             |      | 0.00              | 1,206,059.10      | 1,206,059.10  | 100.0-  |       |  |
| 2050                          |      | 501670 Black Lung Benefit                       |      | 591,945.73        | 472,937.27        | 119,008.46    | 25.2    |       |  |
| 2050                          |      | 502900 Other Salary Overheads/Oncosts           |      | 986,235.83        | 707,971.67        | 278,264.16    | 39.3    |       |  |
| 2050                          |      | 580501 Payroll Tax Expense - Mines              |      | 1,141,415.00      | 763,716.99        | 377,698.01    | 49.5    |       |  |
| 2050                          |      | 580899 Mining - Salary OH/Benefits - Credit     |      | 20,004,944.31     | 0.00              | 20,004,944.31 |         |       |  |
| 2050                          |      | Total Salary Overhead/Benefits                  |      | 0.00              | 14,540,550.48     | 14,540,550.48 | 100.0-  | *8*   |  |
|                               |      | Employee Expenses                               |      |                   |                   |               |         |       |  |
| 2050                          |      | 503110 Lodging                                  |      | 48,172.86         | 26,536.36         | 21,636.50     | 81.5    |       |  |
| 2050                          |      | 503115 On-Site Meals & Refreshments             |      | 213.97            | 196.39            | 17.58         | 9.0     |       |  |
| 2050                          |      | 503120 Meals & Entertainment                    |      | 37,772.60         | 22,538.79         | 15,233.81     | 67.6    |       |  |
| 2050                          |      | 503125 Vehicle Rental and Expense               |      | 630.64            | 0.00              | 630.64        |         |       |  |
| 2050                          |      | 503130 Other Ground Transportation - Commercial |      | 15,255.86         | 3,918.80          | 11,337.06     | 289.3   |       |  |
| 2050                          |      | 503135 Auto Expense/Parking/Mileage             |      | 35,113.62         | 19,853.98         | 15,259.64     | 76.9    |       |  |
| 2050                          |      | 503150 Training                                 |      | 72,992.63         | 39,901.68         | 33,090.95     | 82.9    |       |  |
| 2050                          |      | 503160 Registration Fees                        |      | 35,018.53         | 0.00              | 35,018.53     |         |       |  |
| 2050                          |      | 503170 Dues & Licenses                          |      | 0.00              | 1,862.50          | 1,862.50      | 100.0-  |       |  |
| 2050                          |      | 503400 Other Employee Related Expenses          |      | 95.39             | 0.00              | 95.39         |         |       |  |
| 2050                          |      | 503999 Mining - Employee Expenses - Credit      |      | 245,266.10        | 0.00              | 245,266.10    |         |       |  |
| 2050                          |      | Total Employee Expenses                         |      | 0.00              | 114,808.50        | 114,808.50    | 100.0-  | *8*   |  |
|                               |      | Materials & Supplies                            |      |                   |                   |               |         |       |  |
| 2050                          |      | 516040 Cement & Concrete Products               |      | 444,715.60        | 279,072.39        | 165,643.21    | 59.4    |       |  |
| 2050                          |      | 516050 Chemicals                                |      | 2,954.66          | 1,773.21          | 1,181.45      | 66.6    |       |  |
| 2050                          |      | 516070 Computer Hardware                        |      | 24,950.44         | 21,769.89         | 3,180.55      | 14.6    |       |  |
| 2050                          |      | 516080 Computer Software, Licenses              |      | 125,310.73        | 89,820.92         | 35,489.81     | 39.5    |       |  |
| 2050                          |      | 516110 Conveyor Supplies                        |      | 673,079.75        | 431,429.85        | 241,649.90    | 56.0    |       |  |
| 2050                          |      | 516140 Drills, Bits and Augers                  |      | 594,519.73        | 459,584.09        | 134,935.64    | 29.4    |       |  |
| 2050                          |      | 516150 Electric Motors and Generators           |      | 397.26            | 636.75            | 239.49        | 37.6-   |       |  |

| Company code |        | 2050 | Business area                             | ****                                  |                                        |                        |            | Amounts in USD |  |  |  |
|--------------|--------|------|-------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|--|--|--|
| C            | Comp   | Bus. | Texts                                     | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |  |  |  |
| F            | code   | area |                                           |                                       |                                        |                        |            |                |  |  |  |
| 2050         | 516180 |      | Explosives                                | 18,124.27                             | 31,387.49                              | 13,263.22-             | 42.3-      |                |  |  |  |
| 2050         | 516190 |      | Gravel & Rock                             | 241,790.24                            | 115,798.99                             | 125,991.25             | 108.8      |                |  |  |  |
| 2050         | 516200 |      | Uniform / Safety Equipment                | 843,405.71                            | 519,860.89                             | 323,544.82             | 62.2       |                |  |  |  |
| 2050         | 516220 |      | Roof Control                              | 5,036,882.91                          | 2,965,132.91                           | 2,071,750.00           | 69.9       |                |  |  |  |
| 2050         | 516230 |      | Lubricants, Oil, Grease                   | 638,151.10                            | 388,841.46                             | 249,309.64             | 64.1       |                |  |  |  |
| 2050         | 516260 |      | Electronic Supplies                       | 585,186.16                            | 374,137.48                             | 211,048.68             | 56.4       |                |  |  |  |
| 2050         | 516290 |      | Office Furniture & Equipment              | 2,154.58                              | 1,508.43                               | 646.15                 | 42.8       |                |  |  |  |
| 2050         | 516300 |      | Office Supplies                           | 57,241.37                             | 36,947.88                              | 20,293.49              | 54.9       |                |  |  |  |
| 2050         | 516310 |      | Other Electrical Equipment/Supplies       | 246,569.99                            | 137,020.65                             | 109,549.34             | 80.0       |                |  |  |  |
| 2050         | 516320 |      | Pipe, Valves and Fittings                 | 771,897.73                            | 388,307.44                             | 383,590.29             | 98.8       |                |  |  |  |
| 2050         | 516330 |      | Wood Products                             | 169,266.61                            | 104,519.00                             | 64,747.61              | 61.9       |                |  |  |  |
| 2050         | 516360 |      | Tires, Tubes, and Wheels                  | 360,456.72                            | 229,987.48                             | 130,469.24             | 56.7       |                |  |  |  |
| 2050         | 516380 |      | HVAC                                      | 394,908.84                            | 219,319.19                             | 175,589.65             | 80.1       |                |  |  |  |
| 2050         | 516410 |      | Tools                                     | 192,169.68                            | 106,568.04                             | 85,601.64              | 80.3       |                |  |  |  |
| 2050         | 516430 |      | Hydraulic Components                      | 176,351.08                            | 91,027.46                              | 85,323.62              | 93.7       |                |  |  |  |
| 2050         | 516440 |      | Fuel-Veh/Mobile Equip                     | 664,119.45                            | 444,333.67                             | 219,785.78             | 49.5       |                |  |  |  |
| 2050         | 516460 |      | Heavy Equipment Mat'l & Supplies          | 425,144.73                            | 337,644.11                             | 87,500.62              | 25.9       |                |  |  |  |
| 2050         | 516490 |      | Pumps                                     | 1,555,155.00                          | 949,566.32                             | 605,588.68             | 63.8       |                |  |  |  |
| 2050         | 516900 |      | Miscellaneous Materials & Supplies        | 2,660,864.32                          | 1,509,838.33                           | 1,151,025.99           | 76.2       |                |  |  |  |
| 2050         | 516910 |      | Material Price Variance Account           | 1,142.47-                             | 1,876.92                               | 3,019.39-              | 160.9-     |                |  |  |  |
| 2050         | 516930 |      | Diesel Fuel Hedge                         | 60,906.61                             | 8,422.62                               | 52,483.99              | 623.1      |                |  |  |  |
| 2050         | 516999 |      | Mining - Materials & Supplies - Credit    | 16,965,532.80-                        | 0.00                                   | 16,965,532.80-         | 100.0-     |                |  |  |  |
| 2050         | 516999 |      | Total Materials & Supplies                | 0.00                                  | 10,246,133.85                          | 10,246,133.85-         | 100.0-     |                |  |  |  |
| 2050         | 530031 |      | Contracts & Services                      | 699.59                                | 1,644.30                               | 944.71-                | 57.5-      |                |  |  |  |
| 2050         | 530045 |      | Printing/Imaging/Mail Services            | 567,988.15                            | 803,844.35                             | 235,856.20-            | 29.3-      |                |  |  |  |
| 2050         | 530050 |      | Constr & Maint Contracts-Labor            | 3,099,492.41                          | 1,804,893.99                           | 1,294,598.42           | 71.8       |                |  |  |  |
| 2050         | 530055 |      | Constr & Maint Contracts-Other            | 3,876.48                              | 875.90                                 | 3,000.58               | 342.6      |                |  |  |  |
| 2050         | 530073 |      | Consulting/Technical Services             | 192,927.45                            | 152,491.68                             | 40,435.77              | 26.5       |                |  |  |  |
| 2050         | 530095 |      | Freight/Hauling Services                  | 103,875.03                            | 51,006.01                              | 52,869.02              | 103.7      |                |  |  |  |
| 2050         | 530105 |      | Legal Consulting Fees & Services          | 1,770,627.24                          | 2,578,956.14                           | 807,968.90-            | 31.3-      |                |  |  |  |
| 2050         | 530190 |      | Mining Services                           | 325,161.77                            | 309,154.19                             | 16,007.58              | 5.2        |                |  |  |  |
| 2050         | 530999 |      | Miscellaneous Contracts & Services        | 6,064,648.12-                         | 0.00                                   | 6,064,648.12-          | 100.0-     |                |  |  |  |
| 2050         | 530999 |      | Mining - Contracts & Services - Credit    | 0.00                                  | 5,702,211.69                           | 5,702,211.69-          | 100.0-     |                |  |  |  |
| 2050         | 530999 |      | Total Contracts & Services                | 0.00                                  | 5,702,211.69                           | 5,702,211.69-          | 100.0-     |                |  |  |  |
| 2050         | 535000 |      | Utilities                                 | 3,383,201.39                          | 2,103,896.42                           | 1,279,304.97           | 60.8       |                |  |  |  |
| 2050         | 535100 |      | Electricity                               | 53,217.87                             | 45,372.94                              | 7,844.93               | 17.3       |                |  |  |  |
| 2050         | 535225 |      | Telephone                                 | 7,386.65                              | 3,797.90                               | 3,588.75               | 94.5       |                |  |  |  |
| 2050         | 535999 |      | Water                                     | 3,443,805.91-                         | 0.00                                   | 3,443,805.91-          | 100.0-     |                |  |  |  |
| 2050         | 535999 |      | Mining - Utilities - Credit               | 0.00                                  | 2,153,067.26                           | 2,153,067.26-          | 100.0-     |                |  |  |  |
| 2050         | 541000 |      | Total Utilities                           | 0.00                                  | 2,153,067.26                           | 2,153,067.26-          | 100.0-     |                |  |  |  |
| 2050         | 541000 |      | Other O&M and A&G Expense                 | 3,295.26                              | 3,969.09                               | 673.83-                | 17.0-      |                |  |  |  |
| 2050         | 543000 |      | Equipment Rent                            | 19,140.00                             | 1,278.72                               | 17,861.28              | 1396.8     |                |  |  |  |
| 2050         | 544000 |      | Other Rent/Leases                         | 17,399.00                             | 17,399.00                              | 0.00                   |            |                |  |  |  |
| 2050         | 545000 |      | Coal Leases                               | 47,848.88                             | 57,265.14                              | 9,416.26-              | 16.4-      |                |  |  |  |
| 2050         | 545100 |      | Liability Insurance Costs                 | 2,225,308.00                          | 339,920.36                             | 1,885,387.64           | 554.7      |                |  |  |  |
| 2050         | 545150 |      | Royalties                                 | 118,435.62                            | 31,660.47                              | 86,775.15              | 274.1      |                |  |  |  |
| 2050         | 545245 |      | Miscellaneous Administ/General Expenses   | 0.00                                  | 68,973.00                              | 68,973.00-             | 100.0-     |                |  |  |  |
| 2050         | 545250 |      | Accret. Exp-Electric Utility Plant-Mine   | 750,444.00                            | 832,200.00                             | 81,756.00-             | 9.8-       |                |  |  |  |
| 2050         | 545310 |      | Management Fees                           | 0.00                                  | 177,220.00                             | 177,220.00-            | 100.0-     |                |  |  |  |
| 2050         | 545310 |      | Other O&M Expense                         | 0.00                                  | 1,997.77                               | 1,997.77               | 80.0       |                |  |  |  |
| 2050         | 545400 |      | Bank Charges & Fees                       | 4,496.23                              | 2,498.46                               | 1,012.99-              | 4.2-       |                |  |  |  |
| 2050         | 545550 |      | Club/Organization Membership and Expens   | 23,355.20                             | 24,368.19                              | 1,012.99-              | 4.2-       |                |  |  |  |
| 2050         | 546960 |      | Mining - Other O&M and A&G - Credit       | 5,935,501.02-                         | 49,107,599.57-                         | 43,172,098.55          | 87.9       |                |  |  |  |
| 2050         | 546961 |      | Mining - ARO Accretion Exp - Credit       | 0.00                                  | 68,973.00                              | 68,973.00              | 100.0      |                |  |  |  |
| 2050         | 553500 |      | Mining - Customer & Marketing Costs-Other | 7,760.42                              | 4,403.00                               | 3,357.42               | 76.3       |                |  |  |  |
| 2050         | 556901 |      | Customer Amortization Mines               | 2,604,436.26                          | 1,505,478.86                           | 1,098,957.40           | 73.0       |                |  |  |  |
| 2050         | 582300 |      | Other Amortization Mines                  | 113,582.15                            | 119,636.24                             | 6,054.09-              | 5.1-       |                |  |  |  |
| 2050         | 582300 |      | Permits & Licenses                        |                                       |                                        |                        |            |                |  |  |  |

| Company code 2050 Business area **** |           |                                               | Amounts in USD                        |                                        |                        |            |                |
|--------------------------------------|-----------|-----------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C                                    | Comp Bus. | Texts                                         | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
|                                      |           | Total Other O&M and A&G Expense               | 0.00                                  | 45,990,302.04-                         | 45,990,302.04          | 100.0      | *8*            |
|                                      |           | Total Operations,Maintenance, Admin & General | 0.00                                  | 0.00                                   | 0.00                   |            | *7*            |
|                                      |           | Total Net Margin                              | 0.00                                  | 0.00                                   | 0.00                   |            | *6*            |
|                                      |           | Depreciation and Amortization                 |                                       |                                        |                        |            |                |
|                                      |           | Depletion                                     |                                       |                                        |                        |            |                |
| 2050                                 |           | 560000 Depletion                              | 2,046,968.59                          | 1,150,594.76                           | 896,373.83             | 77.9       |                |
|                                      |           | Total Depletion                               | 2,046,968.59                          | 1,150,594.76                           | 896,373.83             | 77.9       | *7*            |
|                                      |           | Depreciation                                  |                                       |                                        |                        |            |                |
| 2050                                 |           | 565136 Depreciation - Production- Mines       | 11,881,864.52                         | 8,339,343.09                           | 3,542,521.43           | 42.5       |                |
| 2050                                 |           | 565250 Depreciation Exp - ARO - Mining        | 0.00                                  | 11,599.79                              | 11,599.79-             | 100.0-     |                |
| 2050                                 |           | 565960 Depr and Amort - Credit                | 14,132,170.41-                        | 9,499,969.00-                          | 4,632,201.41-          | 48.8-      |                |
| 2050                                 |           | 565961 Mining - ARO Depreciation Exp - Credit | 0.00                                  | 11,599.79-                             | 11,599.79              | 100.0      |                |
|                                      |           | Total Depreciation                            | 2,250,305.89-                         | 1,160,625.91-                          | 1,089,679.98-          | 93.9-      | *7*            |
|                                      |           | Amortization                                  |                                       |                                        |                        |            |                |
| 2050                                 |           | 566541 Reclamation Amortization - Mines       | 203,337.30                            | 90,603.94                              | 112,733.36             | 124.4      |                |
| 2050                                 |           | 566944 Amortization of ARO Reg Asset/Liab     | 0.00                                  | 80,572.79-                             | 80,572.79              | 100.0      |                |
|                                      |           | Total Amortization                            | 203,337.30                            | 10,031.15                              | 193,306.15             | 1927.1     | *7*            |
|                                      |           | Total Depreciation and Amortization           | 0.00                                  | 0.00                                   | 0.00                   |            | *6*            |
|                                      |           | Taxes, Other than Income Taxes                |                                       |                                        |                        |            |                |
| 2050                                 |           | 579000 Property Tax                           | 1,344,311.74                          | 996,628.17                             | 347,683.57             | 34.9       |                |
| 2050                                 |           | 583451 Extraction Tax - Mines                 | 4,070,045.75                          | 2,692,452.07                           | 1,377,593.68           | 51.2       |                |
| 2050                                 |           | 583501 Federal Reclamation Tax - Mines        | 525,219.36                            | 346,011.97                             | 179,207.39             | 51.8       |                |
| 2050                                 |           | 584100 Government Royalties                   | 44,361.00                             | 44,361.00                              | 0.00                   |            |                |
| 2050                                 |           | 584101 Government Royalties - Mines           | 8,762,192.37                          | 5,352,230.99                           | 3,409,961.38           | 63.7       |                |
| 2050                                 |           | 584201 Other Royalties - Mines                | 19,922.68-                            | 9,663.79                               | 29,586.47-             | 306.2-     |                |
| 2050                                 |           | 584960 Taxes Other Non-Income - Credit        | 14,726,207.54-                        | 9,441,347.99-                          | 5,284,859.55-          | 56.0-      |                |
|                                      |           | Total Taxes, Other than Income Taxes          | 0.00                                  | 0.00                                   | 0.00                   |            | *6*            |
|                                      |           | Total Income From Operations                  | 0.00                                  | 0.00                                   | 0.00                   |            | *5*            |
|                                      |           | Income-Continuing Operations Before Tax       | 0.00                                  | 0.00                                   | 0.00                   |            | *4*            |
|                                      |           | Income-Continuing Operations After Tax        | 0.00                                  | 0.00                                   | 0.00                   |            | *3*            |
|                                      |           | Net Income                                    | 0.00                                  | 0.00                                   | 0.00                   |            | *2*            |
|                                      |           | Earnings Available for Common                 | 0.00                                  | 0.00                                   | 0.00                   |            | *1*            |

**Intermountain Geothermal Company  
Intercompany Transactions  
For the Year Ended December 31, 2007**

| <u>Account Description</u> | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|----------------------------|---------------------------------------------|---------------------------------------------|
| Steam                      | \$ 3,317,947.80                             | \$ -                                        |
| Total                      | <u>\$ 3,317,947.80</u>                      | <u>\$ -</u>                                 |

| Company code 2015 Business area               |      | Amounts in USD                                |                   |                   |                | Sumtn |       |
|-----------------------------------------------|------|-----------------------------------------------|-------------------|-------------------|----------------|-------|-------|
| C Comp                                        | Bus. | Texts                                         | Reporting period  | Comparison period | Absolute       | Rel   | Sumtn |
| F code                                        | area |                                               | (01.2008-12.2008) | (01.2007-09.2007) | difference     | dif   | level |
| Assets                                        |      |                                               |                   |                   |                |       |       |
| Current Assets                                |      |                                               |                   |                   |                |       |       |
| Cash and Cash Equivalents                     |      |                                               |                   |                   |                |       |       |
| 2015                                          |      | 101001                                        | 0.00              | 869.89-           | 869.89         | 100.0 |       |
| 2015                                          |      | 103000                                        | 0.00              | 19,839.69-        | 19,839.69-     | 100.0 |       |
| 2015                                          |      | 103004                                        | 0.00              | 16,598.99-        | 16,598.99-     | 100.0 |       |
|                                               |      | Total Other Cash                              | 0.00              | 2,370.81          | 2,370.81-      | 100.0 | *4*   |
|                                               |      | Total Cash and Cash Equivalents               | 0.00              | 2,370.81          | 2,370.81-      | 100.0 | *3*   |
| Accounts Receivable, Net                      |      |                                               |                   |                   |                |       |       |
| Accounts Receivable                           |      |                                               |                   |                   |                |       |       |
| 2015                                          |      | 116500                                        | 0.00              | 5,160.31          | 5,160.31-      | 100.0 |       |
|                                               |      | Joint Owner Receivables-Non-Rec               | 0.00              | 5,160.31          | 5,160.31-      | 100.0 | *5*   |
|                                               |      | Total Other Accounts Receivable               | 0.00              | 5,160.31          | 5,160.31-      | 100.0 | *4*   |
|                                               |      | Total Accounts Receivable                     | 0.00              | 5,160.31          | 5,160.31-      | 100.0 | *3*   |
| Total Accounts Receivable, Net                |      |                                               |                   |                   |                |       |       |
| Amounts Due From Affiliates                   |      |                                               |                   |                   |                |       |       |
| 2015                                          |      | 116000                                        | 0.00              | 5,270,071.78-     | 5,270,071.78   | 100.0 |       |
|                                               |      | Intercompany A/R - Current                    | 0.00              | 5,270,071.78-     | 5,270,071.78   | 100.0 | *5*   |
|                                               |      | Total Accounts Receivable - Affiliates        | 0.00              | 5,270,071.78-     | 5,270,071.78   | 100.0 | *4*   |
| Total Amounts Due from PacificCorp Affiliates |      |                                               |                   |                   |                |       |       |
| Amounts Due from MidAmerican Affiliates       |      |                                               |                   |                   |                |       |       |
| 2015                                          |      | 116021                                        | 0.00              | 19,596.00         | 19,596.00-     | 100.0 |       |
| 2015                                          |      | 116023                                        | 0.00              | 3,321.00          | 3,321.00-      | 100.0 |       |
|                                               |      | InterCo Federal Tax Rec - (Even Years)        | 0.00              | 22,917.00         | 22,917.00-     | 100.0 | *5*   |
|                                               |      | InterCo State Tax Rec - (Even Years)          | 0.00              | 22,917.00         | 22,917.00-     | 100.0 | *4*   |
|                                               |      | Total Taxes Receivable - MidAmerican          | 0.00              | 22,917.00         | 22,917.00-     | 100.0 | *3*   |
|                                               |      | Total Amounts Due from MidAmerican Affiliates | 0.00              | 5,247,154.78-     | 5,247,154.78   | 100.0 |       |
| Total Amounts Due From Affiliates             |      |                                               |                   |                   |                |       |       |
| Deferred Income Taxes - Current               |      |                                               |                   |                   |                |       |       |
| 2015                                          |      | 137100                                        | 0.00              | 3,212.00          | 3,212.00-      | 100.0 |       |
|                                               |      | Deferred Tax Asset - Current Portion          | 0.00              | 3,212.00          | 3,212.00-      | 100.0 | *3*   |
| Total Deferred Income Taxes - Current         |      |                                               |                   |                   |                |       |       |
| Other Current Assets                          |      |                                               |                   |                   |                |       |       |
| Prepayments                                   |      |                                               |                   |                   |                |       |       |
| 2015                                          |      | 132000                                        | 0.00              | 23.34             | 23.34-         | 100.0 |       |
| 2015                                          |      | 132008                                        | 0.00              | 147,418.61        | 147,418.61-    | 100.0 |       |
| 2015                                          |      | 132013                                        | 0.00              | 20.74             | 20.74-         | 100.0 |       |
| 2015                                          |      | 132900                                        | 0.00              | 20.76             | 20.76-         | 100.0 |       |
|                                               |      | Prepayments - Insurance                       | 0.00              | 147,483.45        | 147,483.45-    | 100.0 | *5*   |
|                                               |      | Prepaid Ins-Publ Liab & Prop Dam              | 0.00              | 147,483.45        | 147,483.45-    | 100.0 | *4*   |
|                                               |      | Prepaid Ins-D&O Liability                     | 0.00              | 147,483.45        | 147,483.45-    | 100.0 | *3*   |
|                                               |      | Prepayments - Other                           | 0.00              | 5,088,928.21-     | 5,088,928.21   | 100.0 | *2*   |
|                                               |      | Total Prepayments                             | 0.00              | 5,088,928.21-     | 5,088,928.21   | 100.0 |       |
|                                               |      | Total Other Current Assets                    | 0.00              | 5,088,928.21-     | 5,088,928.21   | 100.0 |       |
| Total Current Assets                          |      |                                               |                   |                   |                |       |       |
| Property, Plant and Equipment in Service      |      |                                               |                   |                   |                |       |       |
| 2015                                          |      | 140139                                        | 0.00              | 14,632,178.12     | 14,632,178.12- | 100.0 |       |
| 2015                                          |      | 140189                                        | 0.00              | 121,005.24        | 121,005.24-    | 100.0 |       |
| 2015                                          |      | 140199                                        | 0.00              | 3,204.53          | 3,204.53-      | 100.0 |       |
| 2015                                          |      | 140209                                        | 0.00              | 83,850.22         | 83,850.22-     | 100.0 |       |
| 2015                                          |      | 140249                                        | 0.00              | 620,836.00        | 620,836.00-    | 100.0 |       |
|                                               |      | Asset Retirement Obligations- Productio       | 0.00              | 15,461,074.11     | 15,461,074.11- | 100.0 | *4*   |
|                                               |      | Total Property, Plant and Equip in Service    | 0.00              | 15,461,074.11     | 15,461,074.11- | 100.0 |       |
| Accumulated Depreciation and Amortization     |      |                                               |                   |                   |                |       |       |
| 2015                                          |      | 145139                                        | 0.00              | 5,279,869.02      | 5,279,869.02   | 100.0 |       |
| 2015                                          |      | 145189                                        | 0.00              | 52,371.25         | 52,371.25      | 100.0 |       |
| 2015                                          |      | 145199                                        | 0.00              | 3,204.53          | 3,204.53       | 100.0 |       |
| 2015                                          |      | 145209                                        | 0.00              | 16,528.81         | 16,528.81      | 100.0 |       |
|                                               |      | Production Plant-Accum Depreciation           | 0.00              | 5,279,869.02      | 5,279,869.02   | 100.0 |       |
|                                               |      | Motor Vehicles & Mobile Plant - Accum D       | 0.00              | 52,371.25         | 52,371.25      | 100.0 |       |
|                                               |      | Office Furniture & Equip - Accum. Depre       | 0.00              | 3,204.53          | 3,204.53       | 100.0 |       |
|                                               |      | Other Gen'l Plant & Equip - Accum Depre       | 0.00              | 16,528.81         | 16,528.81      | 100.0 |       |

| Company code 2015 Business area **** |              | Amounts in USD                                  |                                       |                                        |                        |            |                |
|--------------------------------------|--------------|-------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C Comp<br>F code                     | Bus.<br>area | Texts                                           | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
| 2015                                 |              | 145249 Accum Deprec - Production Asset Ret. Ob  | 0.00                                  | 20,027.00-                             | 20,027.00              | 100.0      | *4*            |
|                                      |              | Total Accumulated Depreciation and Amort        | 0.00                                  | 5,372,000.61-                          | 5,372,000.61           | 100.0      | *4*            |
|                                      |              | Total Net Operating Assets                      | 0.00                                  | 10,089,073.50                          | 10,089,073.50-         | 100.0-     | *3*            |
|                                      |              | Total Property, Plant and Equipment, Net        | 0.00                                  | 10,089,073.50                          | 10,089,073.50-         | 100.0-     | *2*            |
|                                      |              | Other Assets                                    |                                       |                                        |                        |            |                |
| 2015                                 |              | Regulatory Assets                               | 0.00                                  | 39,685.00                              | 39,685.00-             | 100.0-     | *4*            |
|                                      |              | 187507 Regulatory ARO/Reg Diff - Blundell Plant | 0.00                                  | 39,685.00                              | 39,685.00-             | 100.0-     | *4*            |
|                                      |              | Total FAS 143 ARO Regulatory Assets             | 0.00                                  | 39,685.00                              | 39,685.00-             | 100.0-     | *3*            |
|                                      |              | Total Regulatory Assets                         |                                       |                                        |                        |            |                |
|                                      |              | Total Other Assets                              | 0.00                                  | 39,685.00                              | 39,685.00-             | 100.0-     | *2*            |
|                                      |              | Total Assets                                    | 0.00                                  | 5,039,830.29                           | 5,039,830.29-          | 100.0-     | *1*            |

Company code 2015 Business area \*\*\*\*

Amounts in USD

| C<br>F | Comp<br>Code | Bus.<br>area | Texts                                          | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
|--------|--------------|--------------|------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
|        |              |              | Liabilities & Stockholders Equity              |                                       |                                        |                        |            |                |
|        |              |              | Liabilities                                    |                                       |                                        |                        |            |                |
|        |              |              | Current Liabilities                            |                                       |                                        |                        |            |                |
|        |              |              | Accounts Payable                               |                                       |                                        |                        |            |                |
|        |              |              | Trade Accts Payable - Trade                    |                                       | 544.77-                                | 544.77                 | 100.0      |                |
| 2015   |              |              | 210100 Trade Accts Payable - Reconciliation Ac | 0.00                                  | 0.00                                   | 2,117.75               |            |                |
| 2015   |              |              | 210645 Blundell Geothermal                     | 2,117.75                              | 0.00                                   | 2,117.75               |            |                |
| 2015   |              |              | 210900 GR/IR (Goods Receipt/Invoice Receipt)   | 2,117.75-                             | 0.00                                   | 544.77                 | 100.0      | *6*            |
|        |              |              | Total Accounts Payable - Trade                 | 0.00                                  | 544.77-                                | 544.77                 | 100.0      | *5*            |
|        |              |              | Total Accounts Payable - Other                 | 0.00                                  | 544.77-                                | 544.77                 | 100.0      |                |
|        |              |              | Accounts Payable - Trade                       |                                       |                                        |                        |            |                |
|        |              |              | Accounts Payable - Other Accruals Ext          |                                       |                                        |                        |            |                |
| 2015   |              |              | 235230 Accrual - Royalties                     | 0.00                                  | 34,438.54-                             | 34,438.54              | 100.0      |                |
|        |              |              | Total Accts Payable Accruals - Other           | 0.00                                  | 34,438.54-                             | 34,438.54              | 100.0      | *6*            |
|        |              |              | Total Accounts Payable - Other Accruals Ext    | 0.00                                  | 34,438.54-                             | 34,438.54              | 100.0      | *5*            |
|        |              |              | Total Accounts Payable                         | 0.00                                  | 34,983.31-                             | 34,983.31              | 100.0      | *4*            |
|        |              |              | Amounts Due to Affiliates                      |                                       |                                        |                        |            |                |
|        |              |              | Amounts Due to PacifiCorp Affiliates           |                                       |                                        |                        |            |                |
| 2015   |              |              | 200010 Intercompany Notes Payable              | 0.00                                  | 1,569,914.75                           | 1,569,914.75-          | 100.0-     |                |
|        |              |              | Total InterCo Notes Payable                    | 0.00                                  | 1,569,914.75                           | 1,569,914.75-          | 100.0-     | *6*            |
| 2015   |              |              | 239900 Accrued Intercompany Interest Payable   | 0.00                                  | 7,663.80                               | 7,663.80-              | 100.0-     |                |
|        |              |              | Total InterCo Interest Payable                 | 0.00                                  | 7,663.80                               | 7,663.80-              | 100.0-     | *6*            |
|        |              |              | Total Amounts Due to PacifiCorp Affiliates     | 0.00                                  | 1,577,578.55                           | 1,577,578.55-          | 100.0-     | *5*            |
|        |              |              | Total Amounts Due to Affiliates                | 0.00                                  | 1,577,578.55                           | 1,577,578.55-          | 100.0-     | *4*            |
|        |              |              | Accrued Employee Expenses                      |                                       |                                        |                        |            |                |
| 2015   |              |              | 215079 K-Plus Employer Contributions - Match   | 0.00                                  | 115.00-                                | 115.00                 | 100.0      |                |
| 2015   |              |              | 215080 Medical Insurance Payable               | 0.00                                  | 120,307.21-                            | 120,307.21             | 100.0      |                |
|        |              |              | Total Employee Payroll & Benefits Payable      | 0.00                                  | 120,422.21-                            | 120,422.21             | 100.0      | *5*            |
| 2015   |              |              | 248104 Vacation Accrual-Utah                   | 0.00                                  | 13,372.71-                             | 13,372.71              | 100.0      |                |
|        |              |              | Total Vacation, PT & Sick Leave Accruals       | 0.00                                  | 13,372.71-                             | 13,372.71              | 100.0      | *5*            |
|        |              |              | Total Accrued Employee Expenses                | 0.00                                  | 133,794.92-                            | 133,794.92             | 100.0      | *4*            |
|        |              |              | Taxes Payable                                  |                                       |                                        |                        |            |                |
| 2015   |              |              | 233004 UT - Property Tax                       | 0.00                                  | 0.01-                                  | 0.01                   | 100.0      |                |
|        |              |              | Total Accrued Property Taxes                   | 0.00                                  | 0.01-                                  | 0.01                   | 100.0      | *5*            |
|        |              |              | Total Taxes Payable                            | 0.00                                  | 0.01-                                  | 0.01                   | 100.0      | *4*            |
|        |              |              | Other Current Liabilities                      |                                       |                                        |                        |            |                |
| 2015   |              |              | 211200 Payroll Taxes Payable                   | 0.00                                  | 1,872.00-                              | 1,872.00               | 100.0      |                |
| 2015   |              |              | 211220 Social Security Tax Withholding         | 0.00                                  | 871.68                                 | 871.68-                | 100.0-     |                |
|        |              |              | Total Payroll Related Tax Withholdings         | 0.00                                  | 1,000.32-                              | 1,000.32               | 100.0      | *5*            |
| 2015   |              |              | 245955 UT Mineral Royalty Withholding Tax      | 0.00                                  | 260.88-                                | 260.88                 | 100.0      |                |
|        |              |              | Total Franchise, Sales & Other Taxes           | 0.00                                  | 260.88-                                | 260.88                 | 100.0      | *5*            |
| 2015   |              |              | 248000 Misc Current & Accrued Liabilities      | 0.00                                  | 6,099.36-                              | 6,099.36               | 100.0      |                |
|        |              |              | Total Miscellaneous Current Liabilities        | 0.00                                  | 6,099.36-                              | 6,099.36               | 100.0      | *5*            |
|        |              |              | Total Other Current Liabilities                | 0.00                                  | 7,360.56-                              | 7,360.56               | 100.0      | *4*            |
|        |              |              | Total Current Liabilities                      | 0.00                                  | 1,401,439.75                           | 1,401,439.75-          | 100.0-     | *3*            |
|        |              |              | Deferred Credits                               |                                       |                                        |                        |            |                |
|        |              |              | Deferred Income Taxes                          |                                       |                                        |                        |            |                |
| 2015   |              |              | 286500 Accum Deferred Income Taxes-State       | 0.00                                  | 701,308.05-                            | 701,308.05             | 100.0      |                |
| 2015   |              |              | 287008 ADIT - Federal - Property, Plant & Equi | 0.00                                  | 4,663,703.98-                          | 4,663,703.98           | 100.0      |                |
| 2015   |              |              | 287991 Accum Def Inc Tax Liab-Reclass to Curr  | 0.00                                  | 3,212.00-                              | 3,212.00               | 100.0      |                |
|        |              |              | Total Deferred U.S. Income Taxes               | 0.00                                  | 5,368,224.03-                          | 5,368,224.03           | 100.0      | *5*            |
|        |              |              | Total Deferred Income Taxes                    | 0.00                                  | 5,368,224.03-                          | 5,368,224.03           | 100.0      | *4*            |
|        |              |              | Other Deferred Credits                         |                                       |                                        |                        |            |                |
| 2015   |              |              | 284919 ARO Liab - Blundell Plant               | 0.00                                  | 640,494.00-                            | 640,494.00             | 100.0      |                |
|        |              |              | Total ARO & Decommissioning Liabilities        | 0.00                                  | 640,494.00-                            | 640,494.00             | 100.0      | *5*            |
|        |              |              | Total Other Deferred Credits                   | 0.00                                  | 640,494.00-                            | 640,494.00             | 100.0      | *4*            |
|        |              |              | Total Deferred Credits                         | 0.00                                  | 6,008,718.03-                          | 6,008,718.03           | 100.0      | *3*            |

| Company code |      |                                         | 2015 Business area |                   | ****         |       |       |  | Amounts in USD |  |  |
|--------------|------|-----------------------------------------|--------------------|-------------------|--------------|-------|-------|--|----------------|--|--|
| C            | Comp | Bus.                                    | Reporting period   | Comparison period | Absolute     | Rel   | Sumtn |  |                |  |  |
| F            | code | area                                    | (01.2008-12.2008)  | (01.2007-09.2007) | difference   | dif   | level |  |                |  |  |
|              |      | Texts                                   |                    |                   |              |       |       |  |                |  |  |
|              |      | Total Liabilities                       | 0.00               | 4,607,278.28-     | 4,607,278.28 | 100.0 | *2*   |  |                |  |  |
|              |      | Stockholders Equity                     |                    |                   |              |       |       |  |                |  |  |
|              |      | Common Equity                           |                    |                   |              |       |       |  |                |  |  |
|              |      | Common Stock                            | 0.00               | 432,552.01-       | 432,552.01   | 100.0 | *4*   |  |                |  |  |
| 2015         |      | 296000 Additional Paid-In Capital       | 0.00               | 432,552.01-       | 432,552.01   | 100.0 |       |  |                |  |  |
|              |      | Total Common Stock                      |                    |                   |              |       |       |  |                |  |  |
|              |      | Retained Earnings                       |                    |                   |              |       |       |  |                |  |  |
|              |      | Profit/Loss for Current Year            |                    |                   |              |       |       |  |                |  |  |
|              |      | Net Result: Profit                      | 0.00               | 0.00              | 0.00         |       | *6*   |  |                |  |  |
|              |      | Total Net Result: Profit                |                    |                   |              |       |       |  |                |  |  |
|              |      | Net Result: Loss                        | 0.00               | 0.00              | 0.00         |       | *6*   |  |                |  |  |
|              |      | Total Net Result: Loss                  | 0.00               | 0.00              | 0.00         |       | *5*   |  |                |  |  |
|              |      | Total Profit/Loss for Current Year      | 0.00               | 0.00              | 0.00         |       | *4*   |  |                |  |  |
|              |      | Total Retained Earnings                 | 0.00               | 432,552.01-       | 432,552.01   | 100.0 | *3*   |  |                |  |  |
|              |      | Common Equity                           |                    |                   |              |       |       |  |                |  |  |
|              |      | Total Stockholders Equity               | 0.00               | 432,552.01-       | 432,552.01   | 100.0 | *2*   |  |                |  |  |
|              |      | Total Liabilities & Stockholders Equity | 0.00               | 5,039,830.29-     | 5,039,830.29 | 100.0 | *1*   |  |                |  |  |

| Company code 2015 Business area *** |                                             | Amounts in USD                     |                                     |                     |                     |
|-------------------------------------|---------------------------------------------|------------------------------------|-------------------------------------|---------------------|---------------------|
| C                                   | Comp Bus. Texts                             | Reporting period (01.2008-12.2008) | Comparison period (01.2007-09.2007) | Absolute difference | Rel Sumtn dif level |
| F                                   | code area                                   |                                    |                                     |                     |                     |
| Earnings Available for Common       |                                             |                                    |                                     |                     |                     |
|                                     | Net Income                                  |                                    |                                     |                     |                     |
|                                     | Income-Continuing Operations After Tax      |                                    |                                     |                     |                     |
|                                     | Income-Continuing Operations Before Tax     |                                    |                                     |                     |                     |
|                                     | Income From Operations                      |                                    |                                     |                     |                     |
|                                     | Net Margin                                  |                                    |                                     |                     |                     |
|                                     | Gross Margin                                |                                    |                                     |                     |                     |
|                                     | Cost of Goods Sold                          |                                    |                                     |                     |                     |
|                                     | Fuel Expense                                |                                    |                                     |                     |                     |
|                                     | Fuel Expense - External                     |                                    |                                     |                     |                     |
| 2015                                | 361010 Preurchased Steam Income             | 546,478.94                         | 726,205.26                          | 179,726.32          | 24.7                |
| 2015                                | 361020 Steam Operator Income                | 0.00                               | 164,478.38                          | 164,478.38          | 100.0               |
| 2015                                | 361099 Steam Income - Credit                | 546,478.94                         | 890,683.64                          | 344,204.70          | 38.6                |
|                                     | Total Fuel Expense - External               | 0.00                               | 0.00                                | 0.00                | 10*                 |
|                                     | Total Fuel Expense                          | 0.00                               | 0.00                                | 0.00                | 9*                  |
|                                     | Total Cost of Goods Sold                    | 0.00                               | 0.00                                | 0.00                | 8*                  |
|                                     | Total Gross Margin                          | 0.00                               | 0.00                                | 0.00                | 7*                  |
|                                     | Operations, Maintenance, Admin & General    |                                    |                                     |                     |                     |
|                                     | Salary Expense                              |                                    |                                     |                     |                     |
| 2015                                | 500100 Regular/Ordinary Time                | 261,879.80                         | 269,483.89                          | 7,604.09            | 2.8                 |
|                                     | Subtotal Regular/Ordinary Time              | 261,879.80                         | 269,483.89                          | 7,604.09            | 9*                  |
| 2015                                | 500200 Overtime                             | 30,478.27                          | 31,364.29                           | 886.02              | 2.8                 |
|                                     | Subtotal Overtime Pay                       | 30,478.27                          | 31,364.29                           | 886.02              | 9*                  |
| 2015                                | 500312 IBEW 57 PS Premium Pay               | 3.32                               | 0.00                                | 3.32                | 2.8                 |
|                                     | Subtotal Premium Pay                        | 3.32                               | 0.00                                | 3.32                | 9*                  |
| 2015                                | 500400 Bonus/Incentive                      | 9,746.51                           | 6,175.44                            | 3,571.07            | 57.8                |
|                                     | Subtotal Bonus/Incentive                    | 9,746.51                           | 6,175.44                            | 3,571.07            | 9*                  |
| 2015                                | 500850 Other Salary/Labor Costs             | 57,380.17                          | 79,935.77                           | 22,555.60           | 28.2                |
| 2015                                | 554829 Mining - Salary Expense - Credit     | 421,500.00                         | 0.00                                | 421,500.00          | 353.9               |
| 2015                                | 699000 Labor FI/CO Recon                    | 62,011.93                          | 13,663.26                           | 48,348.67           | 422.8               |
|                                     | Subtotal Other Salary Expense               | 302,107.90                         | 93,599.03                           | 395,706.93          | 9*                  |
|                                     | Total Salary Expense                        | 0.00                               | 400,622.65                          | 400,622.65          | 100.0               |
|                                     | Salary Overhead/Benefits                    |                                    |                                     |                     |                     |
| 2015                                | 500500 Leave/PT/Vacation/Sick               | 241.69                             | 4,909.10                            | 5,150.79            | 104.9               |
| 2015                                | 580899 Mining - Salary OH/Benefits - Credit | 241.69                             | 0.00                                | 241.69              | 100.0               |
|                                     | Total Salary Overhead/Benefits              | 0.00                               | 4,909.10                            | 4,909.10            | 9*                  |
|                                     | Employee Expenses                           |                                    |                                     |                     |                     |
| 2015                                | 503100 Airfare                              | 0.00                               | 562.76                              | 562.76              | 100.0               |
| 2015                                | 503110 Lodging                              | 460.11                             | 292.33                              | 167.78              | 57.4                |
| 2015                                | 503115 On-Site Meals & Refreshments         | 33.61                              | 42.53                               | 8.92                | 21.0                |
| 2015                                | 503120 Meals & Entertainment                | 38.52                              | 61.41                               | 22.89               | 37.3                |
| 2015                                | 503135 Auto Expense/Parking/Mileage         | 315.78                             | 0.00                                | 315.78              | 100.0               |
| 2015                                | 503150 Training                             | 368.57                             | 0.00                                | 368.57              | 100.0               |
| 2015                                | 503170 Dues & Licenses                      | 0.00                               | 145.32                              | 145.32              | 100.0               |
| 2015                                | 503185 Travel Per Diem                      | 4.73                               | 0.00                                | 4.73                | 73.41               |
| 2015                                | 503400 Other Employee Related Expenses      | 120.16                             | 46.75                               | 73.41               | 157.0               |
| 2015                                | 503999 Mining - Employee Expenses - Credit  | 1,341.48                           | 0.00                                | 1,341.48            | 100.0               |
|                                     | Total Employee Expenses                     | 0.00                               | 860.46                              | 860.46              | 9*                  |
|                                     | Materials & Supplies                        |                                    |                                     |                     |                     |
| 2015                                | 516010 Metal & Steel                        | 23.08                              | 0.00                                | 23.08               | 98.3                |
| 2015                                | 516036 Safety Supplies                      | 20.40                              | 1,188.07                            | 1,167.67            | 57.0                |
| 2015                                | 516050 Chemicals                            | 41,985.85                          | 97,686.58                           | 55,700.73           | 100.0               |
| 2015                                | 516060 Communication Equipment & Supplies   | 0.00                               | 1,761.01                            | 1,761.01            | 2608.6              |
| 2015                                | 516070 Computer Hardware                    | 10,310.70                          | 380.67                              | 9,930.03            | 47.3                |
| 2015                                | 516120 Gases                                | 5,380.27                           | 3,652.65                            | 1,727.62            | 87.6                |
| 2015                                | 516200 Uniform / Safety Equipment           | 189.96                             | 1,528.70                            | 1,338.74            | 56.8                |
| 2015                                | 516230 Lubricants, Oil, Grease              | 105.61                             | 244.43                              | 138.82              | 56.8                |

| Company code |            | 2015 Business area | ***                                            | Amounts in USD                        |                                        |                        |            |                |
|--------------|------------|--------------------|------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C Comp       | Bus. Texts | F code             | area                                           | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
| 2015         | 516250     |                    | Meters, Relays, Instruments, Control Parts     | 18,447.02                             | 4,149.39                               | 14,297.63              | 344.6      |                |
| 2015         | 516260     |                    | Electronic Supplies                            | 7,567.03                              | 116.94                                 | 7,450.09               | 6370.9     |                |
| 2015         | 516270     |                    | Gaskets, packing and O rings                   | 8,934.81                              | 25.42                                  | 8,909.39               | 35048.7    |                |
| 2015         | 516290     |                    | Office Furniture & Equipment                   | 495.24                                | 0.00                                   | 361.84                 | 40.9       |                |
| 2015         | 516300     |                    | Office Supplies                                | 5,583.52                              | 3,307.65                               | 2,275.87               | 68.8       |                |
| 2015         | 516310     |                    | Other Electrical Equipment/Supplies            | 46,503.73                             | 9,718.77                               | 36,784.96              | 378.5      |                |
| 2015         | 516320     |                    | Pipe, Valves and Fittings                      | 125.59                                | 0.00                                   | 125.59                 |            |                |
| 2015         | 516340     |                    | Fasteners                                      | 857.15                                | 0.00                                   | 857.15                 |            |                |
| 2015         | 516410     |                    | Tools                                          | 1,728.07                              | 0.00                                   | 1,728.07               | 57.2-      |                |
| 2015         | 516430     |                    | Hydraulic Components                           | 7,222.77                              | 1,687.04                               | 964.27-                | 849.4      |                |
| 2015         | 516435     |                    | Vehicles                                       | 31,398.60                             | 3,307.21                               | 28,091.39              |            |                |
| 2015         | 516440     |                    | Fuel-Veh/Mobile Equip                          | 9,237.60                              | 0.00                                   | 9,237.60               |            |                |
| 2015         | 516460     |                    | Heavy Equipment Mat'l & Supplies               | 3,778.32                              | 0.00                                   | 3,778.32               |            |                |
| 2015         | 516490     |                    | Pumps                                          | 56,235.45                             | 13,163.33                              | 43,072.12              | 327.2      |                |
| 2015         | 516900     |                    | Miscellaneous Materials & Supplies             | 249,992.61-                           | 0.00                                   | 249,992.61-            |            |                |
| 2015         | 516999     |                    | Mining - Materials & Supplies - Credit         | 0.00                                  | 142,269.46                             | 142,269.46-            | 100.0-     | *8*            |
| 2015         |            |                    | Total Materials & Supplies                     |                                       |                                        |                        |            |                |
| 2015         |            |                    | Contracts & Services                           | 0.00                                  | 3.29                                   | 3.29-                  | 100.0-     |                |
| 2015         | 530031     |                    | Printing/Imaging/Mail Services                 | 127,215.92                            | 21,098.84                              | 106,117.08             | 503.0      |                |
| 2015         | 530050     |                    | Constr & Maint Contracts-Other                 | 25.52                                 | 0.00                                   | 25.52                  |            |                |
| 2015         | 530055     |                    | Consulting/Technical Services                  | 2,845.50                              | 2,101.66                               | 743.84                 | 35.4       |                |
| 2015         | 530073     |                    | Freight/Hauling Services                       | 4,786.02                              | 4,054.26                               | 731.76                 | 18.0       |                |
| 2015         | 530090     |                    | Janitorial Services                            | 0.00                                  | 74.72                                  | 74.72-                 | 100.0-     |                |
| 2015         | 530142     |                    | Vehicles - External Services                   | 0.00                                  | 62,728.56                              | 962,719.19             | 1534.7     |                |
| 2015         | 530190     |                    | Miscellaneous Contracts & Services             | 1,025,447.75                          | 0.00                                   | 1,160,320.71-          |            |                |
| 2015         | 530999     |                    | Mining - Contracts & Services - Credit         | 0.00                                  | 90,061.33                              | 90,061.33-             | 100.0-     | *8*            |
| 2015         |            |                    | Total Contracts & Services                     |                                       |                                        |                        |            |                |
| 2015         |            |                    | OMAG Expenses - MidAmerican                    | 43,546.22                             | 39,198.93                              | 4,347.29               | 11.1       |                |
| 2015         | 545261     |                    | MidAmerican Mgmt Fee - (930.2)                 | 43,546.22                             | 39,198.93                              | 4,347.29               | 11.1       | *8*            |
| 2015         |            |                    | Total OMAG Expenses - MidAmerican              |                                       |                                        |                        |            |                |
| 2015         |            |                    | Utilities                                      | 513.45                                | 13.99                                  | 499.46                 | 3570.1     |                |
| 2015         | 535007     |                    | Waste Disposal                                 | 848.26                                | 1,715.37                               | 867.11-                | 50.5-      |                |
| 2015         | 535100     |                    | Telephone                                      | 1,589.06                              | 575.89                                 | 1,013.17               | 175.9      |                |
| 2015         | 535225     |                    | Water                                          | 4,311.14                              | 8,089.10                               | 3,777.96-              | 46.7-      |                |
| 2015         | 535300     |                    | Other Utilities                                | 7,261.91-                             | 0.00                                   | 7,261.91-              |            |                |
| 2015         | 535999     |                    | Mining - Utilities - Credit                    | 0.00                                  | 10,394.35                              | 10,394.35-             | 100.0-     | *8*            |
| 2015         |            |                    | Total Utilities                                |                                       |                                        |                        |            |                |
| 2015         |            |                    | Other O&M and A&G Expense                      | 487.65                                | 0.00                                   | 487.65                 |            |                |
| 2015         | 516438     |                    | Vehicle Expense - License Fees                 | 41.66                                 | 6,315.66                               | 6,274.00-              | 99.3-      |                |
| 2015         | 545000     |                    | Liability Insurance Costs                      | 14,292.18-                            | 18,455.27-                             | 4,163.09               | 22.6       |                |
| 2015         | 545225     |                    | Joint Owner-A&G Credits                        | 43.28                                 | 96.40                                  | 53.12-                 | 55.1-      |                |
| 2015         | 545350     |                    | Postage                                        | 3,099.32                              | 2,439.65                               | 659.67                 | 27.0       |                |
| 2015         | 545400     |                    | Bank Charges & Fees                            | 0.00                                  | 37.03                                  | 37.03-                 | 100.0-     |                |
| 2015         | 545450     |                    | Filing Fees                                    | 156,784.85-                           | 736,212.40-                            | 579,427.55             | 78.7       |                |
| 2015         | 546960     |                    | Mining - Other O&M and A&G - Credit            | 123,858.90                            | 67,280.85                              | 56,578.05              | 84.1       |                |
| 2015         | 548000     |                    | Property Insurance Costs - Premiums            | 43,546.22-                            | 678,498.08-                            | 634,951.86             | 93.6       | *8*            |
| 2015         |            |                    | Total Other O&M and A&G Expense                | 0.00                                  | 0.00                                   | 0.00                   | *7*        |                |
| 2015         |            |                    | Total Operations, Maintenance, Admin & General | 0.00                                  | 0.00                                   | 0.00                   | *6*        |                |
| 2015         |            |                    | Total Net Margin                               |                                       |                                        |                        |            |                |
| 2015         |            |                    | Depreciation and Amortization                  |                                       |                                        |                        |            |                |
| 2015         |            |                    | Depreciation                                   | 1,016,372.82                          | 987,787.22                             | 28,585.60              | 2.9        |                |
| 2015         | 565130     |                    | Depreciation - Production Assets               | 6,013.60                              | 5,334.78                               | 678.82                 | 12.7       |                |
| 2015         | 565180     |                    | Depreciation-Motor Veh. & Mobile Plant         | 2,266.01                              | 118,635.44-                            | 120,901.45             | 101.9      |                |
| 2015         | 565200     |                    | Depreciation-Other General Plnt & Equip        | 6,675.66                              | 0.00                                   | 6,675.66               |            |                |
| 2015         | 565240     |                    | Depreciation Exp - ARO - Production            | 1,031,328.09-                         | 994,083.81-                            | 37,244.28-             | 3.7-       |                |
| 2015         | 565960     |                    | Depr and Amort - Credit                        | 0.00                                  | 119,597.25-                            | 119,597.25             | 100.0      | *7*            |
| 2015         |            |                    | Total Depreciation                             |                                       |                                        |                        |            |                |

| Company code |           | 2015 Business area                      |                                    | ****                                |                     | Amounts in USD |             |  |  |
|--------------|-----------|-----------------------------------------|------------------------------------|-------------------------------------|---------------------|----------------|-------------|--|--|
| C Comp F     | Bus. area | Texts                                   | Reporting period (01.2008-12.2008) | Comparison period (01.2007-09.2007) | Absolute difference | Rel dif        | Sumtn level |  |  |
| 2015         |           | Amortization                            |                                    |                                     |                     |                |             |  |  |
|              |           | 566200 Other Intangible Assets          | 0.00                               | 119,597.25                          | 119,597.25-         | 100.0-         | *7*         |  |  |
|              |           | Total Amortization                      | 0.00                               | 119,597.25                          | 119,597.25-         | 100.0-         | *6*         |  |  |
|              |           | Total Depreciation and Amortization     |                                    |                                     |                     |                |             |  |  |
|              |           | Taxes, Other than Income Taxes          |                                    |                                     |                     |                |             |  |  |
| 2015         |           | 579000 Property Tax                     | 44,910.80                          | 95,027.78                           | 50,116.98-          | 52.7-          |             |  |  |
| 2015         |           | 584100 Government Royalties             | 244,265.66                         | 231,385.81                          | 12,879.85           | 5.6            |             |  |  |
| 2015         |           | 584960 Taxes Other Non-Income - Credit  | 289,176.46-                        | 326,413.59-                         | 37,237.13           | 11.4           |             |  |  |
|              |           | Total Taxes, Other than Income Taxes    | 0.00                               | 0.00                                | 0.00                |                | *6*         |  |  |
|              |           | Total Income From Operations            | 0.00                               | 0.00                                | 0.00                |                | *5*         |  |  |
|              |           | Interest Expense and Other              |                                    |                                     |                     |                |             |  |  |
|              |           | Interest Expense Net                    |                                    |                                     |                     |                |             |  |  |
|              |           | Interest Income                         |                                    |                                     |                     |                |             |  |  |
| 2015         |           | 385360 Interest Income - Credit         | 0.00                               | 42,979.53                           | 42,979.53-          | 100.0-         |             |  |  |
| 2015         |           | 385401 Interest Income - IGC            | 0.00                               | 42,979.53-                          | 42,979.53           | 100.0          |             |  |  |
|              |           | Interest Income External                | 0.00                               | 0.00                                | 0.00                |                | *8*         |  |  |
|              |           | Total Interest Income                   | 0.00                               | 0.00                                | 0.00                |                | *7*         |  |  |
|              |           | Total Interest Expense Net              | 0.00                               | 0.00                                | 0.00                |                | *6*         |  |  |
|              |           | Total Interest Expense and Other        | 0.00                               | 0.00                                | 0.00                |                | *5*         |  |  |
|              |           | Income-Continuing Operations Before Tax | 0.00                               | 0.00                                | 0.00                |                | *4*         |  |  |
|              |           | Income Tax Expense                      |                                    |                                     |                     |                |             |  |  |
|              |           | U.S. Income Tax Expense                 |                                    |                                     |                     |                |             |  |  |
|              |           | Income Tax Expense Federal              |                                    |                                     |                     |                |             |  |  |
| 2015         |           | 570000 Income Tax Expense-Federal       | 976,225.00-                        | 68,781.00-                          | 907,444.00-         | 1319.3-        |             |  |  |
| 2015         |           | 570960 Income Taxes - Credit            | 976,225.00                         | 426,266.00                          | 549,959.00          | 129.0          |             |  |  |
|              |           | Total Current Federal                   | 0.00                               | 357,485.00                          | 357,485.00-         | 100.0-         | *7*         |  |  |
| 2015         |           | 571000 Deferred Tax Expense-Federal     | 0.00                               | 301,730.00-                         | 301,730.00          | 100.0          |             |  |  |
|              |           | Total Deferred Federal                  | 0.00                               | 301,730.00-                         | 301,730.00          | 100.0          |             |  |  |
|              |           | Total Income Tax Expense Federal        | 0.00                               | 55,755.00                           | 55,755.00-          | 100.0-         | *7*         |  |  |
|              |           | Income Tax Expense State                |                                    |                                     |                     |                | *6*         |  |  |
| 2015         |           | 575000 State Income Tax                 | 0.00                               | 10,382.00-                          | 10,382.00           | 100.0          |             |  |  |
|              |           | Total Current State                     | 0.00                               | 10,382.00-                          | 10,382.00           | 100.0          |             |  |  |
| 2015         |           | 576000 Deferred Tax Expense - State     | 0.00                               | 45,373.00-                          | 45,373.00           | 100.0          |             |  |  |
|              |           | Total Deferred State                    | 0.00                               | 45,373.00-                          | 45,373.00           | 100.0          |             |  |  |
|              |           | Total Income Tax Expense State          | 0.00                               | 55,755.00-                          | 55,755.00           | 100.0          |             |  |  |
|              |           | Total U.S. Income Tax Expense           | 0.00                               | 0.00                                | 0.00                |                | *6*         |  |  |
|              |           | Total Income Tax Expense                | 0.00                               | 0.00                                | 0.00                |                | *5*         |  |  |
|              |           | Income-Continuing Operations After Tax  | 0.00                               | 0.00                                | 0.00                |                | *4*         |  |  |
|              |           | Net Income                              | 0.00                               | 0.00                                | 0.00                |                | *2*         |  |  |
|              |           | Earnings Available for Common           | 0.00                               | 0.00                                | 0.00                |                | *1*         |  |  |

| Company code |      | 2015 Business area    | Amounts in USD                        |                                        |                        |                |
|--------------|------|-----------------------|---------------------------------------|----------------------------------------|------------------------|----------------|
| C            | Comp | Bus. area             | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif     |
| F            |      | Texts                 |                                       |                                        |                        | Sumtn<br>level |
|              |      | Earnings Contribution | 0.00                                  | 0.00                                   | 0.00                   | *1*            |
|              |      | Earnings Contribution |                                       |                                        |                        |                |

**Interwest Mining Company  
Intercompany Transactions  
For the Year Ended December 31, 2007**

| <u>Account Description</u> | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|----------------------------|---------------------------------------------|---------------------------------------------|
| Labor and salary overheads | \$ -                                        | \$ 584,826.94                               |
| Labor                      | 137,532.50                                  | 99,685.75                                   |
| <b>Total</b>               | <b>\$ 137,532.50</b>                        | <b>\$ 684,512.69</b>                        |

| Company code |      | 2010 Business area | **** |                                                |                                       |                                        | Amounts in USD         |            |                |
|--------------|------|--------------------|------|------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C Comp       | Bus. | F code             | area | Texts                                          | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
| 2010         |      |                    |      | Assets                                         |                                       |                                        |                        |            |                |
|              |      |                    |      | Current Assets                                 |                                       |                                        |                        |            |                |
|              |      |                    |      | Cash and Cash Equivalents                      |                                       |                                        |                        |            |                |
|              |      |                    |      | 102001 Main Check Disb-Check Clearing Acct     | 3,702.92-                             | 4,633.08-                              | 930.16                 | 20.1       | *4*            |
| 2010         |      |                    |      | Total Other Cash                               | 3,702.92-                             | 4,633.08-                              | 930.16                 | 20.1       | *4*            |
|              |      |                    |      | Total Cash and Cash Equivalents                | 3,702.92-                             | 4,633.08-                              | 930.16                 | 20.1       | *3*            |
|              |      |                    |      | Accounts Receivable, Net                       |                                       |                                        |                        |            |                |
|              |      |                    |      | Accounts Receivable                            |                                       |                                        |                        |            |                |
| 2010         |      |                    |      | 116850 Accounts Receivable - Other             | 113,147.98                            | 63,055.38                              | 50,092.60              | 79.4       | *5*            |
|              |      |                    |      | Total Other Accounts Receivable                | 113,147.98                            | 63,055.38                              | 50,092.60              | 79.4       | *4*            |
|              |      |                    |      | Total Accounts Receivable                      | 113,147.98                            | 63,055.38                              | 50,092.60              | 79.4       | *3*            |
|              |      |                    |      | Total Accounts Receivable, Net                 | 113,147.98                            | 63,055.38                              | 50,092.60              | 79.4       |                |
| 2010         |      |                    |      | Amounts Due From Affiliates                    |                                       |                                        |                        |            |                |
|              |      |                    |      | Amounts Due from PacifiCorp Affiliates         |                                       |                                        |                        |            |                |
|              |      |                    |      | 116000 Intercompany A/R - Current              | 319,308.37                            | 928,755.55                             | 609,447.18-            | 65.6-      | *5*            |
|              |      |                    |      | Total Accounts Receivable - Affiliates         | 319,308.37                            | 928,755.55                             | 609,447.18-            | 65.6-      | *4*            |
| 2010         |      |                    |      | Amounts Due from MidAmerican Affiliates        |                                       |                                        |                        |            |                |
|              |      |                    |      | 116125 InterCo Accts Rec - MEHC                | 0.00                                  | 22,654.01                              | 22,654.01-             | 100.0-     | *5*            |
|              |      |                    |      | Total Accounts Receivable - MidAmerican        | 0.00                                  | 22,654.01                              | 22,654.01-             | 100.0-     | *4*            |
|              |      |                    |      | Total Accounts Due from MidAmerican Affiliates | 0.00                                  | 22,654.01                              | 22,654.01-             | 100.0-     | *3*            |
| 2010         |      |                    |      | Amounts Due from Affiliates                    |                                       |                                        |                        |            |                |
|              |      |                    |      | Amounts Due from MidAmerican Affiliates        |                                       |                                        |                        |            |                |
|              |      |                    |      | 116125 InterCo Accts Rec - MEHC                | 319,308.37                            | 951,409.56                             | 632,101.19-            | 66.4-      | *3*            |
|              |      |                    |      | Total Accounts Due from Affiliates             | 319,308.37                            | 951,409.56                             | 632,101.19-            | 66.4-      |                |
| 2010         |      |                    |      | Total Current Assets                           | 428,753.43                            | 1,009,831.86                           | 581,078.43-            | 57.5-      | *2*            |
|              |      |                    |      | Total Assets                                   | 428,753.43                            | 1,009,831.86                           | 581,078.43-            | 57.5-      | *1*            |

| Company code |      |        | 2010 Business area                        | ****              |                   |             | Amounts in USD |       |  |  |
|--------------|------|--------|-------------------------------------------|-------------------|-------------------|-------------|----------------|-------|--|--|
| C            | Comp | Bus.   | Texts                                     | Reporting period  | Comparison period | Absolute    | Rel            | Sumtn |  |  |
| F            | code | area   |                                           | (01.2008-12.2008) | (01.2007-09.2007) | difference  | dif            | level |  |  |
|              |      |        | Liabilities & Stockholders Equity         |                   |                   |             |                |       |  |  |
|              |      |        | Liabilities                               |                   |                   |             |                |       |  |  |
|              |      |        | Current Liabilities                       |                   |                   |             |                |       |  |  |
|              |      |        | Accounts Payable                          |                   |                   |             |                |       |  |  |
|              |      |        | Accounts Payable - Trade                  |                   |                   |             |                |       |  |  |
| 2010         |      | 210100 | Trade Accts Payable - Reconciliation Ac   | 53,675.84-        | 549,105.99-       | 495,430.15  | 90.2           |       |  |  |
| 2010         |      | 210900 | GR/IR (Goods Receipt/Invoice Receipt)     | 1,846.45          | 0.00              | 1,846.45    | 19.6           |       |  |  |
| 2010         |      | 210990 | Purch Card Trans Liab                     | 1,935.55-         | 2,407.33-         | 471.78      | 90.3           | 6*    |  |  |
|              |      |        | Total Accounts Payable - Other            | 53,764.94-        | 551,513.32-       | 497,748.38  | 90.3           | 5*    |  |  |
|              |      |        | Total Accounts Payable - Trade            | 53,764.94-        | 551,513.32-       | 497,748.38  | 90.3           | 4*    |  |  |
|              |      |        | Total Accounts Payable                    | 53,764.94-        | 551,513.32-       | 497,748.38  | 90.3           |       |  |  |
|              |      |        | Accrued Employee Expenses                 |                   |                   |             |                |       |  |  |
| 2010         |      | 215078 | K-Plus Employer Contributions - Fixed     | 13,866.03-        | 711.59-           | 13,154.44-  | 1848.6-        |       |  |  |
| 2010         |      | 215079 | K-Plus Employer Contributions - Match     | 1,131.89-         | 964.72-           | 167.17-     | 17.3-          |       |  |  |
| 2010         |      | 215186 | Black Lung Accrual - Mining Division      | 59,844.06-        | 70,347.36-        | 10,503.30   | 14.9           |       |  |  |
| 2010         |      | 235501 | Accrual - Payroll/Salaries                | 38,549.36-        | 38,775.75-        | 226.39      | 0.6            |       |  |  |
| 2010         |      | 240330 | Provision for Workers' Compensation       | 855.38-           | 1,481.50-         | 626.12      | 42.3           |       |  |  |
|              |      |        | Total Employee Payroll & Benefits Payable | 114,246.72-       | 112,280.92-       | 1,965.80-   | 1.8-           | 5*    |  |  |
| 2010         |      | 235190 | Accrual - Severance Payments              | 226,663.92-       | 275,000.00-       | 48,336.08   | 17.6           |       |  |  |
| 2010         |      | 249995 | Accrued Severance - Reclass to Long-Ter   | 84,822.05         | 0.00              | 84,822.05   | 48.4           | 5*    |  |  |
|              |      |        | Accrued Severance                         | 141,841.87-       | 275,000.00-       | 133,158.13  | 33.9           | 4*    |  |  |
|              |      |        | Total Accrued Employee Expenses           | 256,088.59-       | 387,280.92-       | 131,192.33  | 33.9           |       |  |  |
|              |      |        | Taxes Payable                             |                   |                   |             |                |       |  |  |
| 2010         |      | 240300 | Provision for Social Security Taxes       | 594.39-           | 917.58-           | 323.19      | 35.2           |       |  |  |
| 2010         |      | 240305 | Provision for Medicare Taxes              | 543.42-           | 547.64-           | 4.22        | 0.8            |       |  |  |
| 2010         |      | 240310 | Provision for Unemployment Taxes          | 107.87-           | 256.89-           | 149.02      | 58.0           |       |  |  |
| 2010         |      | 240314 | Accrued Unemployment Taxes - UT           | 45.39-            | 667.15-           | 621.76      | 93.2           |       |  |  |
| 2010         |      | 240316 | Accrued Unemployment Taxes - WY           | 55.60-            | 92.34-            | 36.74       | 39.8           |       |  |  |
|              |      |        | Total Accrued Payroll Taxes               | 1,346.67-         | 2,481.60-         | 1,134.93    | 45.7           | 5*    |  |  |
|              |      |        | Total Taxes Payable                       | 1,346.67-         | 2,481.60-         | 1,134.93    | 45.7           | 4*    |  |  |
|              |      |        | Other Current Liabilities                 |                   |                   |             |                |       |  |  |
| 2010         |      | 211200 | Payroll Taxes Payable                     | 31,731.18-        | 67,556.02-        | 35,824.84   | 53.0           | 5*    |  |  |
|              |      |        | Total Payroll Related Tax Withholdings    | 31,731.18-        | 67,556.02-        | 35,824.84   | 53.0           | 4*    |  |  |
|              |      |        | Total Other Current Liabilities           | 342,931.38-       | 1,008,831.86-     | 665,900.48  | 66.0           | 3*    |  |  |
|              |      |        | Total Current Liabilities                 |                   |                   |             |                |       |  |  |
|              |      |        | Deferred Credits                          |                   |                   |             |                |       |  |  |
| 2010         |      | 289995 | Long-Term Liabilities - Reclass from Cu   | 84,822.05-        | 0.00              | 84,822.05-  | 55*            |       |  |  |
|              |      |        | Total Miscellaneous Deferred Credits      | 84,822.05-        | 0.00              | 84,822.05-  | 55*            |       |  |  |
|              |      |        | Total Other Deferred Credits              | 84,822.05-        | 0.00              | 84,822.05-  | 55*            |       |  |  |
|              |      |        | Total Deferred Credits                    |                   |                   |             |                |       |  |  |
|              |      |        | Total Liabilities                         | 427,753.43-       | 1,008,831.86-     | 581,078.43  | 57.6           | 2*    |  |  |
|              |      |        | Stockholders Equity                       |                   |                   |             |                |       |  |  |
|              |      |        | Common Equity                             |                   |                   |             |                |       |  |  |
| 2010         |      | 293000 | Common Stock                              | 1,000.00-         | 1,000.00-         | 0.00        | 4*             |       |  |  |
|              |      |        | Common Shares Issued                      | 1,000.00-         | 1,000.00-         | 0.00        | 4*             |       |  |  |
|              |      |        | Total Common Stock                        |                   |                   |             |                |       |  |  |
| 2010         |      | 297000 | Retained Earnings                         | 960,754.33-       | 467,913.12-       | 492,841.21- | 105.3-         | 5*    |  |  |
|              |      |        | Total Unappropriated Retained Earnings    | 960,754.33-       | 467,913.12-       | 492,841.21- | 105.3-         | 5*    |  |  |
|              |      |        | Profit/Loss for Current Year              |                   |                   |             |                |       |  |  |
|              |      |        | Net Result: Loss                          | 960,754.33        | 467,913.12        | 492,841.21  | 105.3          | 6*    |  |  |
|              |      |        | Total Net Result: Loss                    | 960,754.33        | 467,913.12        | 492,841.21  | 105.3          | 5*    |  |  |
|              |      |        | Total Profit/Loss for Current Year        |                   |                   |             |                |       |  |  |

Company code 2010 Business area \*\*\*\*

Amounts in USD

| C<br>F | Comp<br>code | Bus.<br>area | Texts                                   | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
|--------|--------------|--------------|-----------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
|        |              |              | Total Retained Earnings                 | 0.00                                  | 0.00                                   | 0.00                   |            | *4*            |
|        |              |              | Common Equity                           | 1,000.00-                             | 1,000.00-                              | 0.00                   |            | *3*            |
|        |              |              | Total Stockholders Equity               | 1,000.00-                             | 1,000.00-                              | 0.00                   |            | *2*            |
|        |              |              | Total Liabilities & Stockholders Equity | 428,753.43-                           | 1,009,831.86-                          | 581,078.43             | 57.5       | *1*            |



PacifiCorp Internal Financial Statements

| Company code |           | 2010 Business area                             | **** | Amounts in USD |                                       |                                        |                        |            |                |
|--------------|-----------|------------------------------------------------|------|----------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C            | Comp Bus. | Texts                                          | F    | code area      | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
| 2010         |           | 503370 Books & Subscriptions                   |      |                | 7,025.97                              | 7,855.28                               | 829.31-                | 10.6-      |                |
| 2010         |           | 503400 Other Employee Related Expenses         |      |                | 14,388.30                             | 10,936.23                              | 3,452.07               | 31.6       |                |
|              |           | Total Employee Expenses                        |      |                | 175,166.57                            | 113,394.96                             | 61,771.61              | 54.5       | *8*            |
|              |           | Materials & Supplies                           |      |                |                                       |                                        |                        |            |                |
| 2010         |           | 516035 Laboratory Supplies                     |      |                | 4,698.95                              | 6,530.70                               | 1,831.75-              | 28.0-      |                |
| 2010         |           | 516070 Computer Hardware                       |      |                | 3,346.74                              | 891.11                                 | 2,455.63               | 275.6      |                |
| 2010         |           | 516080 Computer Software, Licenses             |      |                | 18,274.11                             | 225.74                                 | 18,048.37              | 7995.2     |                |
| 2010         |           | 516200 Uniform / Safety Equipment              |      |                | 6,085.00                              | 464.45                                 | 5,620.55               | 1210.2     |                |
| 2010         |           | 516290 Office Furniture & Equipment            |      |                | 24,205.88                             | 2,571.42                               | 2,365.54-              | 92.0-      |                |
| 2010         |           | 516300 Office Supplies                         |      |                | 24,306.29                             | 13,668.39                              | 10,637.90              | 77.8       |                |
| 2010         |           | 516410 Tools                                   |      |                | 33,892.83                             | 0.00                                   | 892.83                 |            |                |
| 2010         |           | 516435 Vehicles                                |      |                | 33,630.88                             | 22,627.51                              | 11,003.37              | 48.6       |                |
| 2010         |           | 516440 Fuel-Veh/Mobile Equip                   |      |                | 43,824.53                             | 44,437.22                              | 612.69-                | 1.4-       |                |
| 2010         |           | 516460 Heavy Equipment Mat'l & Supplies        |      |                | 1,800.21                              | 17,865.79                              | 934.42                 | 107.9      |                |
| 2010         |           | 516900 Miscellaneous Materials & Supplies      |      |                | 30,401.59                             | 17,188.09                              | 13,213.50              | 76.9       |                |
|              |           | Total Materials & Supplies                     |      |                | 167,467.01                            | 109,470.42                             | 57,996.59              | 53.0       | *8*            |
|              |           | Contracts & Services                           |      |                |                                       |                                        |                        |            |                |
| 2010         |           | 530020 Advertising Services                    |      |                | 0.00                                  | 1,031.48                               | 1,031.48-              | 100.0-     |                |
| 2010         |           | 530025 Bank/Financial Institution Services     |      |                | 175.00                                | 250.00                                 | 75.00-                 | 30.0-      |                |
| 2010         |           | 530031 Printing/Imaging/Mail Services          |      |                | 519.68                                | 4,905.41                               | 4,385.73-              | 89.4-      |                |
| 2010         |           | 530049 Building/Facility Maintenance Contracts |      |                | 5,350.78                              | 9,943.80                               | 4,593.02-              | 46.2-      |                |
| 2010         |           | 530050 Constr & Maint Contracts-Other          |      |                | 9,500.00                              | 10,853.89                              | 1,353.89-              | 12.5-      |                |
| 2010         |           | 530055 Consulting/Technical Services           |      |                | 25,235.25                             | 7,660.00                               | 17,575.25              | 229.4      |                |
| 2010         |           | 530065 Engineering Services                    |      |                | 5,805.51                              | 0.00                                   | 5,805.51               |            |                |
| 2010         |           | 530070 Environmental Services                  |      |                | 0.00                                  | 13,467.82                              | 13,467.82-             | 100.0-     |                |
| 2010         |           | 530073 Freight/Hauling Services                |      |                | 4,014.30                              | 2,202.18                               | 1,812.12               | 82.3       |                |
| 2010         |           | 530075 IT - Contract Programmers               |      |                | 4,330.83                              | 0.00                                   | 4,330.83-              |            |                |
| 2010         |           | 530095 Legal Consulting Fees & Services        |      |                | 16,663.78                             | 7,366.35                               | 9,297.43               | 126.2      |                |
| 2010         |           | 530110 Moving/Relocation Services-Employees    |      |                | 330.00                                | 3,309.00                               | 2,979.00-              | 90.0-      |                |
| 2010         |           | 530190 Miscellaneous Contracts & Services      |      |                | 204,928.90                            | 70,360.39                              | 134,568.51             | 191.3      |                |
|              |           | Total Contracts & Services                     |      |                | 268,192.37                            | 131,350.32                             | 136,842.05             | 104.2      | *8*            |
|              |           | Utilities                                      |      |                |                                       |                                        |                        |            |                |
| 2010         |           | 535000 Electricity                             |      |                | 0.00                                  | 22,096.23                              | 22,096.23-             | 100.0-     |                |
| 2010         |           | 535100 Telephone                               |      |                | 3,035.42                              | 1,935.03                               | 1,100.39               | 56.9       |                |
| 2010         |           | 535154 Telephone-Satellite                     |      |                | 431.73                                | 276.81                                 | 154.92                 | 56.0       |                |
| 2010         |           | 535155 Telecom-Dial-up/Remote Access           |      |                | 153.08                                | 49.75                                  | 103.33                 | 207.7      |                |
|              |           | Total Utilities                                |      |                | 3,620.23                              | 24,357.82                              | 20,737.59-             | 85.1-      | *8*            |
|              |           | Other O&M and A&G Expense                      |      |                |                                       |                                        |                        |            |                |
| 2010         |           | 505971 ARO - Misc Non-Oper Inc/Exp             |      |                | 162,756.00                            | 107,910.00                             | 54,846.00              | 50.8       |                |
| 2010         |           | 516438 Vehicle Expense - License Fees          |      |                | 2,833.00                              | 505.38                                 | 2,327.62               | 460.6      |                |
| 2010         |           | 540000 Office Rent                             |      |                | 55.00                                 | 2,512.44-                              | 2,567.44               | 102.2      |                |
| 2010         |           | 543000 Other Rent/Leases                       |      |                | 100.00                                | 480.75-                                | 580.75                 | 120.8      |                |
| 2010         |           | 545150 Miscellaneous Administ/General Expenses |      |                | 0.00                                  | 992.30                                 | 992.30-                | 100.0-     |                |
| 2010         |           | 545350 Postage                                 |      |                | 511.67                                | 154.93                                 | 356.74                 | 230.3      |                |
| 2010         |           | 545400 Bank Charges & Fees                     |      |                | 2,057.58                              | 1,223.77                               | 833.81                 | 68.1       |                |
| 2010         |           | 545450 Filing Fees                             |      |                | 0.00                                  | 171.00                                 | 171.00-                | 100.0-     |                |
| 2010         |           | 545520 Reclamation Expense                     |      |                | 887,375.00-                           | 0.00                                   | 887,375.00-            |            |                |
| 2010         |           | 545960 Mining - Other O&M and A&G - Credit     |      |                | 511,703.35-                           | 398,936.94-                            | 112,766.41-            | 28.3-      |                |
| 2010         |           | 549300 Reimbursements                          |      |                | 2,907,936.00-                         | 2,438,910.53-                          | 469,025.47-            | 19.2-      |                |
| 2010         |           | 582300 Permits & Licenses                      |      |                | 9,157.35                              | 8,632.04                               | 525.31                 | 6.1        |                |
| 2010         |           | 699020 Corporate Allocations FI/CO Reconciliat |      |                | 7,098.23                              | 2,680.16                               | 4,418.07               | 164.8      |                |
|              |           | Total Other O&M and A&G Expense                |      |                | 4,122,445.52-                         | 2,718,571.08-                          | 1,403,874.44-          | 51.6-      | *8*            |
|              |           | Total Operations Maintenance, Admin & General  |      |                | 374,459.98                            | 466,548.12                             | 92,088.14-             | 19.7-      | *7*            |
|              |           | Total Net Margin                               |      |                | 374,459.98                            | 466,548.12                             | 92,088.14-             | 19.7-      | *6*            |
|              |           | Total Income From Operations                   |      |                | 374,459.98                            | 466,548.12                             | 92,088.14-             | 19.7-      | *5*            |
|              |           | Interest Expense and Other                     |      |                |                                       |                                        |                        |            |                |
|              |           | Minority Interest & Other                      |      |                |                                       |                                        |                        |            |                |

PacifiCorp Internal Financial Statements

Interwest Mining Company

OR: Active

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Company code 2010 Business area

C Comp Bus. Texts  
F code area

Amounts in USD

|              |                                         | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>Level |
|--------------|-----------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| 2010<br>2010 | Other (Income) Expense                  | 582,084.35                            | 0.00                                   | 582,084.35             | 208.4      | *7*            |
|              | 546200 Other Deductions                 | 4,210.00                              | 1,365.00                               | 2,845.00               | 42852.0    | *7*            |
|              | 553300 Sponsorship                      | 586,294.35                            | 1,365.00                               | 584,929.35             | 42852.0    | *6*            |
|              | Total Other (Income) Expense            | 586,294.35                            | 1,365.00                               | 584,929.35             | 42852.0    | *5*            |
|              | Total Minority Interest & Other         | 586,294.35                            | 1,365.00                               | 584,929.35             | 42852.0    | *4*            |
|              | Total Interest Expense and Other        | 960,754.33                            | 467,913.12                             | 492,841.21             | 105.3      | *3*            |
|              | Income-Continuing Operations Before Tax | 960,754.33                            | 467,913.12                             | 492,841.21             | 105.3      | *2*            |
|              | Income-Continuing Operations After Tax  | 960,754.33                            | 467,913.12                             | 492,841.21             | 105.3      | *1*            |
|              | Net Income                              | 960,754.33                            | 467,913.12                             | 492,841.21             | 105.3      | *1*            |
|              | Earnings Available for Common           | 960,754.33                            | 467,913.12                             | 492,841.21             | 105.3      | *1*            |

**PacifiCorp Environmental Remediation Company**  
**Intercompany Transactions**  
**For the Year Ended December 31, 2007**

| <u>Account Description</u>          | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services (a)</u> |
|-------------------------------------|---------------------------------------------|-------------------------------------------------|
| Intercompany environmental services | \$ 73,291.99                                | \$ -                                            |
| Labor and salary overheads          | 7,977.98                                    | 185,382.85                                      |
| Management fee                      | -                                           | 73,516.51                                       |
| <b>Total</b>                        | <b>\$ 81,269.97</b>                         | <b>\$ 258,899.36</b>                            |

(a) Refer to Section VII for a discussion of allocations from PacifiCorp to PacifiCorp Environmental Remediation Company

**Amounts in USD**

| Company code 1040 Business area |                                                | Amounts in USD                        |                                        |                        |            |                |  |  |
|---------------------------------|------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|--|--|
| C Comp                          | Bus. area                                      | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |  |  |
| F code                          | Texts                                          |                                       |                                        |                        |            |                |  |  |
| 1040                            | Deferred Charges and Other Assets              |                                       |                                        |                        |            |                |  |  |
|                                 | Long-Term Notes & Interest Receivable          | 0.00                                  | 12,023.00                              | 12,023.00-             | 100.0-     | *5*            |  |  |
|                                 | 158455 Non-Curr Fed/State Inc Tax Rec FY06 (PH | 0.00                                  | 12,023.00                              | 12,023.00-             | 100.0-     | *4*            |  |  |
|                                 | Total Long-Term Notes Receivable               | 0.00                                  | 12,023.00                              | 12,023.00-             | 100.0-     | *3*            |  |  |
|                                 | Total Long-Term Notes & Interest Receivable    | 0.00                                  | 12,023.00                              | 12,023.00-             | 100.0-     | *2*            |  |  |
|                                 | Total Deferred Charges and Other Assets        | 0.00                                  | 12,023.00                              | 12,023.00-             | 100.0-     | *1*            |  |  |
|                                 | Total Other Assets                             | 32,919,452.45                         | 33,802,420.38                          | 882,967.93-            | 2.6-       |                |  |  |
|                                 | Total Assets                                   |                                       |                                        |                        |            |                |  |  |

| Company code 1040 Business area **** |                                                 | Amounts in USD                     |                                     |                     |               |
|--------------------------------------|-------------------------------------------------|------------------------------------|-------------------------------------|---------------------|---------------|
| C Comp Bus. F code area              | Texts                                           | Reporting period (01.2008-12.2008) | Comparison period (01.2007-09.2007) | Absolute difference | Rel dif level |
|                                      | Liabilities & Stockholders Equity               |                                    |                                     |                     |               |
|                                      | Liabilities                                     |                                    |                                     |                     |               |
|                                      | Current Liabilities                             |                                    |                                     |                     |               |
|                                      | Accounts Payable - Trade                        | 2,951.22-                          | 421,363.39-                         | 418,412.17          | 99.3          |
| 1040                                 | 210100 Trade Accts Payable - Reconciliation Ac  | 199.09-                            | 4,377.16-                           | 4,178.07            | 95.5          |
| 1040                                 | 210990 Purch Card Trans Liab                    | 3,150.31-                          | 425,740.55-                         | 422,590.24          | 99.3          |
|                                      | Total Accounts Payable - Trade                  | 3,150.31-                          | 425,740.55-                         | 422,590.24          | 99.3          |
|                                      | Total Accounts Payable - Trade                  |                                    |                                     |                     |               |
|                                      | Accounts Payable - Other Accruals Ext           | 417,749.33-                        | 407,758.05-                         | 9,991.28-           | 2.5-          |
| 1040                                 | 235120 Accrual - Miscellaneous Expenditure      | 417,749.33-                        | 407,758.05-                         | 9,991.28-           | 2.5-          |
|                                      | Total Accts Payable Accruals - Other            | 417,749.33-                        | 407,758.05-                         | 9,991.28-           | 2.5-          |
|                                      | Total Accounts Payable - Other Accruals Ext     | 420,899.64-                        | 833,498.60-                         | 412,598.96          | 49.5          |
|                                      | Total Accounts Payable                          |                                    |                                     |                     |               |
|                                      | Amounts Due to Affiliates                       |                                    |                                     |                     |               |
|                                      | Amounts Due to MidAmerican Affiliates           | 5,573.19-                          | 0.00                                | 5,573.19-           | 6*            |
| 1040                                 | 210725 InterCo Accts Payable - MEHC             | 5,573.19-                          | 0.00                                | 5,573.19-           | 5*            |
|                                      | Total Accounts Payable - MidAmerican            | 5,573.19-                          | 0.00                                | 5,573.19-           | 4*            |
|                                      | Total Accounts Payable - MidAmerican Affiliates |                                    |                                     |                     |               |
|                                      | Total Amounts Due to Affiliates                 | 5,573.19-                          | 0.00                                | 5,573.19-           | 6*            |
|                                      | Total Amounts Due to MidAmerican Affiliates     |                                    |                                     |                     |               |
|                                      | Accrued Employee Expenses                       | 0.00                               | 171.96-                             | 171.96              | 100.0         |
| 1040                                 | 215078 K-Plus Employer Contributions - Fixed    | 0.00                               | 229.60-                             | 229.60              | 100.0         |
| 1040                                 | 215079 K-Plus Employer Contributions - Match    | 0.00                               | 9,083.74-                           | 9,083.74            | 100.0         |
| 1040                                 | 235501 Accrual - Payroll/Salaries               | 0.00                               | 48.73-                              | 48.73               | 100.0         |
| 1040                                 | 240330 Provision for Workers' Compensation      | 0.00                               | 9,534.03-                           | 9,534.03            | 100.0         |
|                                      | Total Employee Payroll & Benefits Payable       | 265,215.30-                        | 0.00                                | 265,215.30-         | 5*            |
| 1040                                 | 235191 Accrued CIC Severance                    | 6,453.00                           | 0.00                                | 6,453.00            | 100.0         |
| 1040                                 | 249995 Accrued Severance - Reclass to Long-Ter  | 258,762.30-                        | 0.00                                | 258,762.30-         | 5*            |
|                                      | Accrued Severance                               | 0.00                               | 46,286.19-                          | 46,286.19           | 100.0         |
| 1040                                 | 248106 Personal Time Liability                  | 0.00                               | 46,286.19-                          | 46,286.19           | 100.0         |
|                                      | Total Vacation, PT & Sick Leave Accruals        | 258,762.30-                        | 55,820.22-                          | 202,942.08-         | 363.6-        |
|                                      | Total Accrued Employee Expenses                 |                                    |                                     |                     |               |
|                                      | Taxes Payable                                   | 0.00                               | 140.10-                             | 140.10              | 100.0         |
| 1040                                 | 240300 Provision for Social Security Taxes      | 0.00                               | 123.97-                             | 123.97              | 100.0         |
| 1040                                 | 240305 Provision for Medicare Taxes             | 0.00                               | 3.84-                               | 3.84                | 100.0         |
| 1040                                 | 240310 Provision for Unemployment Taxes         | 0.00                               | 27.67-                              | 27.67               | 100.0         |
| 1040                                 | 240314 Accrued Unemployment Taxes - UT          | 0.00                               | 295.58-                             | 295.58              | 100.0         |
|                                      | Total Accrued Payroll Taxes                     | 0.00                               | 36.58-                              | 36.58               | 100.0         |
| 1040                                 | 235200 Use Tax Payable                          | 256.46-                            | 840.52-                             | 584.06              | 69.5          |
| 1040                                 | 240354 Accrued Payroll Tax-Transit (Tri-Met &   | 256.46-                            | 877.10-                             | 620.64              | 70.8          |
|                                      | Total Accrued Taxes - Other                     | 256.46-                            | 1,172.68-                           | 916.22              | 78.1          |
|                                      | Total Taxes Payable                             |                                    |                                     |                     |               |
|                                      | Other Current Liabilities                       | 605.80-                            | 3,136.14-                           | 2,530.34            | 80.7          |
| 1040                                 | 211200 Payroll Taxes Payable                    | 605.80-                            | 3,136.14-                           | 2,530.34            | 80.7          |
|                                      | Total Payroll Related Tax Withholdings          | 7,221,642.00-                      | 4,425,376.00-                       | 2,796,266.00-       | 63.2-         |
| 1040                                 | 249999 Other Deferred Credits - Current Portio  | 7,221,642.00-                      | 4,425,376.00-                       | 2,796,266.00-       | 63.2-         |
|                                      | Total Miscellaneous Current Liabilities         | 7,222,247.80-                      | 4,428,512.14-                       | 2,793,735.66-       | 63.1-         |
|                                      | Total Other Current Liabilities                 | 7,907,739.39-                      | 5,319,003.64-                       | 2,588,735.75-       | 48.7-         |
|                                      | Total Current Liabilities                       |                                    |                                     |                     |               |
|                                      | Deferred Credits                                |                                    |                                     |                     |               |
|                                      | Deferred Income Taxes                           | 6,793,399.98                       | 197,330.98                          | 6,596,069.00        | 3342.6        |
| 1040                                 | 287700 DTL - Misc                               | 235,767.00-                        | 169,718.00-                         | 66,049.00-          | 38.9-         |
| 1040                                 | 287991 Accum Def Inc Tax Liab-Reclass to Curr   | 6,557,632.98                       | 27,612.98                           | 6,530,020.00        | 23648.4       |
|                                      | Total Deferred U.S. Income Taxes                | 6,557,632.98                       | 27,612.98                           | 6,530,020.00        | 23648.4       |
|                                      | Total Deferred Income Taxes                     |                                    |                                     |                     |               |
|                                      | Total Deferred Credits                          |                                    |                                     |                     |               |

| Company code |      | 1040   | Business area                           | ****                                    |                   |                |               | Amounts in USD |  |  |  | Rel    | Sumtn |
|--------------|------|--------|-----------------------------------------|-----------------------------------------|-------------------|----------------|---------------|----------------|--|--|--|--------|-------|
| C Comp       | Bus. | F code | Texts                                   | Reporting period                        | Comparison period | Absolute       |               |                |  |  |  | dif    | level |
|              |      |        |                                         | (01.2008-12.2008)                       | (01.2007-09.2007) | difference     |               |                |  |  |  |        |       |
| 1040         |      |        | 288600                                  | Environmental Liabilities - Non Current | 15,640,526.38-    | 19,826,746.00- | 4,186,219.62  |                |  |  |  | 21.1   |       |
| 1040         |      |        | 288699                                  | Environmental Provisions - Reclass to C | 7,221,642.00      | 4,425,376.00   | 2,796,266.00  |                |  |  |  | 63.2   |       |
|              |      |        | Total Environmental Provisions          | 8,418,884.38-                           | 15,401,370.00-    | 6,982,485.62   |               |                |  |  |  | 45.3   | *5*   |
| 1040         |      |        | 289995                                  | Long-Term Liabilities - Reclass from Cu | 6,453.00-         | 0.00           | 6,453.00-     |                |  |  |  |        |       |
|              |      |        | Total Miscellaneous Deferred Credits    | 6,453.00-                               | 0.00              | 6,453.00-      |               |                |  |  |  |        |       |
|              |      |        | Total Other Deferred Credits            | 8,425,337.38-                           | 15,401,370.00-    | 6,976,032.62   |               |                |  |  |  | 45.3   | *4*   |
|              |      |        | Total Deferred Credits                  | 1,867,704.40-                           | 15,373,757.02-    | 13,506,052.62  |               |                |  |  |  | 87.9   | *3*   |
|              |      |        | Total Liabilities                       | 9,775,443.79-                           | 20,692,760.66-    | 10,917,316.87  |               |                |  |  |  | 52.8   | *2*   |
|              |      |        | Stockholders Equity                     |                                         |                   |                |               |                |  |  |  |        |       |
|              |      |        | Common Equity                           |                                         |                   |                |               |                |  |  |  |        |       |
| 1040         |      |        | 295000                                  | Capital in Excess of Par Value          | 1,000,000.00-     | 1,000,000.00-  | 0.00          |                |  |  |  |        |       |
| 1040         |      |        | 296000                                  | Additional Paid-In Capital              | 13,719,625.00-    | 5,608,526.00-  | 8,111,099.00- |                |  |  |  | 144.6- |       |
|              |      |        | Total Common Stock                      | 14,719,625.00-                          | 6,608,526.00-     | 8,111,099.00-  |               |                |  |  |  | 122.7- | *4*   |
|              |      |        | Retained Earnings                       |                                         |                   |                |               |                |  |  |  |        |       |
| 1040         |      |        | 297000                                  | Unappropriated Retained Earnings        | 6,501,133.72-     | 7,494,974.13-  | 993,840.41    |                |  |  |  | 13.3   |       |
|              |      |        | Total Unappropriated Retained Earnings  | 6,501,133.72-                           | 7,494,974.13-     | 993,840.41     |               |                |  |  |  | 13.3   | *5*   |
|              |      |        | Profit/Loss for Current Year            |                                         |                   |                |               |                |  |  |  |        |       |
|              |      |        | Net Result: Profit                      | 1,923,249.94-                           | 0.00              | 1,923,249.94-  |               |                |  |  |  |        |       |
|              |      |        | Total Net Result: Profit                | 1,923,249.94-                           | 0.00              | 1,923,249.94-  |               |                |  |  |  |        |       |
|              |      |        | Net Result: Loss                        |                                         |                   |                |               |                |  |  |  |        |       |
|              |      |        | Total Net Result: Loss                  | 0.00                                    | 993,840.41        | 993,840.41-    |               |                |  |  |  | 100.0- | *6*   |
|              |      |        | Total Profit/Loss for Current Year      | 1,923,249.94-                           | 993,840.41        | 2,917,090.35-  |               |                |  |  |  | 293.5- | *5*   |
|              |      |        | Total Retained Earnings                 | 8,424,383.66-                           | 6,501,133.72-     | 1,923,249.94-  |               |                |  |  |  | 29.6-  | *4*   |
|              |      |        | Common Equity                           | 23,144,008.66-                          | 13,109,659.72-    | 10,034,348.94- |               |                |  |  |  | 76.5-  | *3*   |
|              |      |        | Total Stockholders Equity               | 23,144,008.66-                          | 13,109,659.72-    | 10,034,348.94- |               |                |  |  |  | 76.5-  | *2*   |
|              |      |        | Total Liabilities & Stockholders Equity | 32,919,452.45-                          | 33,802,420.38-    | 882,967.93     |               |                |  |  |  | 2.6    | *1*   |

| Company code |      |      | 1040 Business area                              | ****                                  | Amounts in USD                         |                        |            |                |
|--------------|------|------|-------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C            | Comp | Bus. | Texts                                           | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
|              |      |      | Earnings Available for Common                   |                                       |                                        |                        |            |                |
|              |      |      | Net Income                                      |                                       |                                        |                        |            |                |
|              |      |      | Income-Continuing Operations After Tax          |                                       |                                        |                        |            |                |
|              |      |      | Income-Continuing Operations Before Tax         |                                       |                                        |                        |            |                |
|              |      |      | Income From Operations                          |                                       |                                        |                        |            |                |
|              |      |      | Net Margin                                      |                                       |                                        |                        |            |                |
|              |      |      | Gross Margin                                    |                                       |                                        |                        |            |                |
|              |      |      | Revenues                                        |                                       |                                        |                        |            |                |
|              |      |      | Other Revenues                                  |                                       |                                        |                        |            |                |
|              |      |      | Inter-Company Other Revenues                    |                                       |                                        |                        |            |                |
| 1040         |      |      | 302050 Inter-Company Environmental Svc Revenue  | 73,291.99-                            | 415,383.99-                            | 342,092.00             | 82.4       | *10*           |
|              |      |      | Total Inter-Company Other Revenues              | 73,291.99-                            | 415,383.99-                            | 342,092.00             | 82.4       | *9*            |
|              |      |      | Total Other Revenues                            | 73,291.99-                            | 415,383.99-                            | 342,092.00             | 82.4       |                |
|              |      |      | Non-Regulated Revenues                          |                                       |                                        |                        |            |                |
| 1040         |      |      | 364050 Environmental Revenue-3rd Party          | 30,947.29-                            | 420,364.69-                            | 389,417.40             | 92.6       | *9*            |
|              |      |      | Total Non-Regulated Revenues                    | 30,947.29-                            | 420,364.69-                            | 389,417.40             | 92.6       | *8*            |
|              |      |      | Total Revenues                                  | 104,239.28-                           | 835,748.68-                            | 731,509.40             | 87.5       | *7*            |
|              |      |      | Total Gross Margin                              | 104,239.28-                           | 835,748.68-                            | 731,509.40             | 87.5       |                |
|              |      |      | Operations, Maintenance, Admin & General        |                                       |                                        |                        |            |                |
|              |      |      | Salary Expense                                  |                                       |                                        |                        |            |                |
| 1040         |      |      | 500102 Non Union Regular/Ordinary Time          | 149,461.34                            | 460,192.20                             | 310,730.86-            | 67.5-      |                |
| 1040         |      |      | 500118 Non Exempt Regular/Ordinary Time         | 7,976.19                              | 15,867.81                              | 7,891.62-              | 49.7-      |                |
|              |      |      | Subtotal Regular/Ordinary Time                  | 157,437.53                            | 476,060.01                             | 318,622.48-            | 66.9-      | *9*            |
| 1040         |      |      | 500218 Non Exempt Overtime Pay                  | 4.78-                                 | 272.53                                 | 277.31-                | 101.8-     |                |
|              |      |      | Subtotal Overtime Pay                           | 4.78-                                 | 272.53                                 | 277.31-                | 101.8-     | *9*            |
| 1040         |      |      | 500400 Bonus/Incentive                          | 11,065.04                             | 35.70                                  | 11,029.34              | 30894.5    |                |
| 1040         |      |      | 500410 Incentive(Performance Share)             | 0.00                                  | 68,988.33                              | 68,988.33-             | 100.0-     | *9*            |
|              |      |      | Subtotal Bonus/Incentive                        | 11,065.04                             | 69,024.03                              | 57,958.99-             | 84.0-      |                |
| 1040         |      |      | 500600 Temporary/Contract Labor                 | 47,440.72                             | 77,202.92                              | 29,762.20-             | 38.6-      |                |
| 1040         |      |      | 500700 Severance/Redundancy                     | 564,842.30                            | 0.00                                   | 564,842.30             | 3628.8     |                |
| 1040         |      |      | 500850 Other Salary/Labor Costs                 | 32,473.35                             | 870.87                                 | 31,602.48              | 36.2-      |                |
| 1040         |      |      | 699000 Labor FI/CO Recon                        | 170,015.09                            | 266,431.69                             | 96,416.60-             | 52.6       |                |
| 1040         |      |      | 701010 Labor Costs Settled to Capital           | 377,431.22-                           | 796,053.65-                            | 418,622.43             | 196.9      | *9*            |
|              |      |      | Subtotal Other Salary Expense                   | 437,340.24                            | 451,548.17-                            | 888,888.41             | 545.8      | *8*            |
|              |      |      | Total Salary Expense                            | 605,838.03                            | 93,808.40                              | 512,029.63             |            |                |
|              |      |      | Salary Overhead/Benefits                        |                                       |                                        |                        |            |                |
| 1040         |      |      | 500510 Unused Leave Accrual                     | 46,286.19-                            | 2,646.36-                              | 43,639.83-             | 1649.1-    |                |
| 1040         |      |      | 501100 Pension/Superannuation                   | 97,744.02                             | 76,733.00                              | 21,011.02              | 27.4       |                |
| 1040         |      |      | 501125 Medical                                  | 10,352.57                             | 44,976.48                              | 34,623.91-             | 77.0-      |                |
| 1040         |      |      | 501150 Post Retirement                          | 15,584.04                             | 10,890.00                              | 4,694.04               | 43.1       |                |
| 1040         |      |      | 501160 Post Employment Benefits (FAS 112)       | 3,704.00                              | 2,790.00                               | 914.00                 | 32.8       |                |
| 1040         |      |      | 501175 Dental                                   | 2,463.67                              | 5,339.63                               | 2,875.96-              | 53.9-      |                |
| 1040         |      |      | 501200 Vision                                   | 430.74                                | 923.64                                 | 492.90-                | 53.4-      |                |
| 1040         |      |      | 501225 Life                                     | 571.85                                | 1,400.34                               | 828.49-                | 59.2-      |                |
| 1040         |      |      | 501250 Stock/401(k)/ESOP                        | 7,195.15                              | 22,858.23                              | 15,663.08-             | 68.5-      |                |
| 1040         |      |      | 501650 Worker's Comp/WorkCover Levy             | 8,113.96                              | 57.13                                  | 8,056.83               | 14102.6    |                |
| 1040         |      |      | 580500 Payroll Tax Expense                      | 14,481.68                             | 45,682.37                              | 31,200.69-             | 68.3-      |                |
| 1040         |      |      | 580700 Payroll Tax Expense-Unemployment         | 1,987.40                              | 3,285.00                               | 1,297.60-              | 39.5-      |                |
| 1040         |      |      | 699005 Benefits FI/CO Recon                     | 4,202.34                              | 2,322.07                               | 1,880.27               | 81.0       |                |
|              |      |      | Total Salary Overhead/Benefits                  | 120,545.23                            | 214,611.53                             | 94,066.30-             | 43.8-      | *8*            |
|              |      |      | Employee Expenses                               |                                       |                                        |                        |            |                |
| 1040         |      |      | 503100 Airfare                                  | 4,476.13                              | 7,046.55                               | 2,570.42-              | 36.5-      |                |
| 1040         |      |      | 503110 Lodging                                  | 1,813.33                              | 4,866.15                               | 3,052.82-              | 62.7-      |                |
| 1040         |      |      | 503115 On-Site Meals & Refreshments             | 861.69                                | 75.84                                  | 785.85                 | 1036.2     |                |
| 1040         |      |      | 503120 Meals & Entertainment                    | 878.21                                | 2,014.34                               | 1,136.13-              | 56.4-      |                |
| 1040         |      |      | 503125 Vehicle Rental and Expense               | 1,086.01                              | 3,934.37                               | 2,848.36-              | 72.4-      |                |
| 1040         |      |      | 503130 Other Ground Transportation - Commercial | 39.25                                 | 0.00                                   | 39.25                  |            |                |

| Company code 1040 Business area **** |              |                                                | Amounts in USD                        |                                        |                        |            |                |
|--------------------------------------|--------------|------------------------------------------------|---------------------------------------|----------------------------------------|------------------------|------------|----------------|
| C Comp<br>F code                     | Bus.<br>area | Texts                                          | Reporting period<br>(01.2008-12.2008) | Comparison period<br>(01.2007-09.2007) | Absolute<br>difference | Rel<br>dif | Sumtn<br>level |
| 1040                                 |              | 503135 Auto Expense/Parking/Mileage            | 2,653.54                              | 3,936.63                               | 1,283.09-              | 32.6-      |                |
| 1040                                 |              | 503140 Cellular Telephone Expense              | 1,720.69                              | 1,871.79                               | 151.10-                | 8.1-       |                |
| 1040                                 |              | 503150 Training                                | 0.00                                  | 3,929.00                               | 3,929.00-              | 100.0-     |                |
| 1040                                 |              | 503160 Registration Fees                       | 95.00                                 | 622.00                                 | 527.00-                | 84.7-      |                |
| 1040                                 |              | 503170 Dues & Licenses                         | 356.88                                | 1,314.50                               | 957.62-                | 72.9-      |                |
| 1040                                 |              | 503185 Travel Per Diem                         | 416.25                                | 950.00                                 | 533.75-                | 56.2-      |                |
| 1040                                 |              | 503370 Books & Subscriptions                   | 0.00                                  | 266.00                                 | 266.00-                | 100.0-     |                |
| 1040                                 |              | 503400 Other Employee Related Expenses         | 693.16                                | 824.04                                 | 130.88-                | 15.9-      |                |
| 1040                                 |              | Total Employee Expenses                        | 15,090.14                             | 31,651.21                              | 16,561.07-             | 52.3-      | *8*            |
| 1040                                 |              | Materials & Supplies                           |                                       |                                        |                        |            |                |
| 1040                                 |              | 516050 Chemicals                               | 10.81                                 | 0.00                                   | 10.81                  |            |                |
| 1040                                 |              | 516070 Computer Hardware                       | 9.77                                  | 162.91                                 | 153.14-                | 94.0-      |                |
| 1040                                 |              | 516080 Computer Software, Licenses             | 0.00                                  | 275.10                                 | 275.10-                | 100.0-     |                |
| 1040                                 |              | 516200 Uniform / Safety Equipment              | 3,920.98                              | 0.00                                   | 3,920.98               |            |                |
| 1040                                 |              | 516300 Office Supplies                         | 588.63                                | 1,914.30                               | 1,325.67-              | 69.3-      |                |
| 1040                                 |              | 516410 Tools                                   | 0.00                                  | 11.54                                  | 11.54-                 | 100.0-     |                |
| 1040                                 |              | 516440 Fuel-Veh/Mobile Equip                   | 1,931.42                              | 1,723.66                               | 207.76                 | 12.1       |                |
| 1040                                 |              | 516900 Miscellaneous Materials & Supplies      | 1,980.78                              | 2,867.53                               | 886.75-                | 30.9-      |                |
| 1040                                 |              | Total Materials & Supplies                     | 8,442.39                              | 6,955.04                               | 1,487.35               | 21.4       | *8*            |
| 1040                                 |              | Contracts & Services                           |                                       |                                        |                        |            |                |
| 1040                                 |              | 530023 Analytical Services                     | 36,501.65                             | 105,347.80                             | 68,846.15-             | 65.4-      |                |
| 1040                                 |              | 530025 Bank/Financial Institution Services     | 0.00                                  | 125.00                                 | 125.00-                | 100.0-     |                |
| 1040                                 |              | 530031 Printing/Imaging/Mail Services          | 138.03                                | 723.33                                 | 585.30-                | 80.9-      |                |
| 1040                                 |              | 530045 Constr & Maint Contracts-Labor          | 20,112.56                             | 15,000.00-                             | 35,112.56              | 234.1      |                |
| 1040                                 |              | 530049 Building/Facility Maintenance Contracts | 97.97                                 | 109.69                                 | 11.72-                 | 10.7-      |                |
| 1040                                 |              | 530050 Constr & Maint Contracts-Other          | 0.00                                  | 236,457.28                             | 236,457.28-            | 100.0-     |                |
| 1040                                 |              | 530055 Consulting/Technical Services           | 224,622.73                            | 184,685.16                             | 39,937.57              | 21.6       |                |
| 1040                                 |              | 530070 Environmental Services                  | 291,010.73-                           | 6,758.39                               | 297,769.12-            | 4405.9-    |                |
| 1040                                 |              | 530071 Environmental Expense - EPA/DOT/Other   | 3,038,579.58-                         | 2,016,055.15                           | 5,054,634.73-          | 250.7-     |                |
| 1040                                 |              | 530073 Freight/Hauling Services                | 3,028.02                              | 2,389.00                               | 639.02                 | 26.7       |                |
| 1040                                 |              | 530095 Legal Consulting Fees & Services        | 723.63                                | 1,596.00                               | 872.37-                | 54.7-      |                |
| 1040                                 |              | 530112 Office/Clerical Services                | 0.00                                  | 1,307.88                               | 1,307.88-              | 100.0-     |                |
| 1040                                 |              | 530135 Temporary Services-Other                | 715.63                                | 1,172.94                               | 457.31-                | 39.0-      |                |
| 1040                                 |              | 530190 Miscellaneous Contracts & Services      | 65,078.95                             | 4,293.53                               | 60,785.42              | 1415.7     |                |
| 1040                                 |              | 699015 Contract Labor FI/CO Recon              | 2,291.30                              | 4,200.00                               | 1,908.70-              | 45.4-      |                |
| 1040                                 |              | 701050 Contracts & Services-Settled to Capital | 1,803.80-                             | 0.00                                   | 1,803.80-              |            |                |
| 1040                                 |              | Total Contracts & Services                     | 2,978,083.64-                         | 2,550,221.15                           | 5,528,304.79-          | 216.8-     | *8*            |
| 1040                                 |              | OMAG Expenses - Inter-Company                  |                                       |                                        |                        |            |                |
| 1040                                 |              | 547040 Inter-Company Management Fee            | 73,516.51                             | 205,427.97                             | 131,911.46-            | 64.2-      |                |
| 1040                                 |              | Total OMAG Expenses - Inter-Company            | 73,516.51                             | 205,427.97                             | 131,911.46-            | 64.2-      | *8*            |
| 1040                                 |              | OMAG Expenses - MidAmerican                    |                                       |                                        |                        |            |                |
| 1040                                 |              | 545261 MidAmerican Mgmt Fee - (930.2)          | 149,139.55                            | 0.00                                   | 149,139.55             |            | *8*            |
| 1040                                 |              | Total OMAG Expenses - MidAmerican              | 149,139.55                            | 0.00                                   | 149,139.55             |            | *8*            |
| 1040                                 |              | Other O&M and A&G Expense                      |                                       |                                        |                        |            |                |
| 1040                                 |              | 540000 Office Rent                             | 38,374.08                             | 33,066.07                              | 5,308.01               | 16.1       |                |
| 1040                                 |              | 543000 Other Rent/Leases                       | 8,080.43                              | 5,729.66                               | 2,350.77               | 41.0       |                |
| 1040                                 |              | 545000 Liability Insurance Costs               | 19,383.14                             | 22,616.03                              | 3,232.89-              | 14.3-      |                |
| 1040                                 |              | 545400 Bank Charges & Fees                     | 3,203.34                              | 1,899.40                               | 1,303.94               | 68.7       |                |
| 1040                                 |              | 545450 Filing Fees                             | 0.00                                  | 196.00                                 | 196.00-                | 100.0-     |                |
| 1040                                 |              | 551000 Repairs & Maintenance                   | 36.31                                 | 588.00                                 | 551.69-                | 93.8-      |                |
| 1040                                 |              | 582300 Permits & Licenses                      | 2,259.00                              | 590.00                                 | 1,669.00               | 282.9      |                |
| 1040                                 |              | 582500 Regulatory Commission Expense           | 5,547.72                              | 17,318.09                              | 11,770.37-             | 68.0-      |                |
| 1040                                 |              | 699020 Corporate Allocations FI/CO Reconciliat | 896.14                                | 82,227.64                              | 4,447.48-              | 299.4      |                |
| 1040                                 |              | Total Other O&M and A&G Expense                | 77,780.16                             | 82,227.64                              | 4,447.48-              | 5.4-       | *8*            |
| 1040                                 |              | Total Operations,Maintenance, Admin & General  | 1,927,731.63-                         | 3,184,902.94                           | 5,112,634.57-          | 160.5-     | *7*            |
| 1040                                 |              | Total Net Margin                               | 2,031,970.91-                         | 2,349,154.26                           | 4,381,125.17-          | 186.5-     | *6*            |
| 1040                                 |              | Taxes, Other than Income Taxes                 |                                       |                                        |                        |            |                |

| Company code |      | 1040 Business area                      | Amounts in USD    |                   |               |        | Sumtn |
|--------------|------|-----------------------------------------|-------------------|-------------------|---------------|--------|-------|
| C            | Comp | Bus.                                    | Reporting period  | Comparison period | Absolute      | Rel    | level |
| F            | code | area                                    | (01.2008-12.2008) | (01.2007-09.2007) | difference    | dif    |       |
| 1040         |      | 579000 Property Tax                     | 0.00              | 117.00            | 117.00        | 100.0- | *6*   |
|              |      | Total Taxes, Other than Income Taxes    | 0.00              | 117.00            | 117.00        | 100.0- | *5*   |
|              |      | Total Income From Operations            | 2,031,970.91-     | 2,349,271.26      | 4,381,242.17- | 186.5- |       |
|              |      | Interest Expense and Other              |                   |                   |               |        |       |
|              |      | Interest Expense Net                    |                   |                   |               |        |       |
|              |      | Interest Income                         |                   |                   |               |        |       |
| 1040         |      | 385800 Investment Income                | 1,551,377.31-     | 1,268,349.94-     | 283,027.37-   | 22.3-  | *8*   |
|              |      | Interest Income External                | 1,551,377.31-     | 1,268,349.94-     | 283,027.37-   | 22.3-  | *7*   |
|              |      | Total Interest Income                   | 1,551,377.31-     | 1,268,349.94-     | 283,027.37-   | 22.3-  |       |
| 1040         |      | Interest Expense                        | 485,328.14        | 535,572.23        | 50,244.09-    | 9.4-   | *8*   |
|              |      | Interest Expense - Environmental        | 485,328.14        | 535,572.23        | 50,244.09-    | 9.4-   | *7*   |
|              |      | Total Interest Expense                  | 485,328.14        | 535,572.23        | 50,244.09-    | 9.4-   | *6*   |
|              |      | Total Interest Expense Net              | 1,066,049.17-     | 732,777.71-       | 333,271.46-   | 45.5-  | *5*   |
|              |      | Total Interest Expense and Other        | 1,066,049.17-     | 732,777.71-       | 333,271.46-   | 45.5-  | *4*   |
|              |      | Income-Continuing Operations Before Tax | 3,098,020.08-     | 1,616,493.55      | 4,714,513.63- | 291.7- |       |
|              |      | Income Tax Expense                      |                   |                   |               |        |       |
|              |      | U.S. Income Tax Expense                 |                   |                   |               |        |       |
|              |      | Income Tax Expense Federal              |                   |                   |               |        |       |
| 1040         |      | 570000 Income Tax Expense-Federal       | 280,388.86-       | 366,229.14-       | 85,840.28     | 23.4   | *7*   |
|              |      | Total Current Federal                   | 280,388.86-       | 366,229.14-       | 85,840.28     | 23.4   |       |
| 1040         |      | 571000 Deferred Tax Expense-Federal     | 1,316,988.00      | 172,133.00-       | 1,489,121.00  | 865.1  | *7*   |
|              |      | Total Deferred Federal                  | 1,316,988.00      | 172,133.00-       | 1,489,121.00  | 865.1  | *6*   |
|              |      | Total Income Tax Expense Federal        | 1,036,599.14      | 538,362.14-       | 1,574,961.28  | 292.5  |       |
|              |      | Income Tax Expense State                |                   |                   |               |        |       |
| 1040         |      | 575000 State Income Tax                 | 59,871.00-        | 58,406.00-        | 1,465.00-     | 2.5-   | *7*   |
|              |      | Total Current State                     | 59,871.00-        | 58,406.00-        | 1,465.00-     | 2.5-   |       |
| 1040         |      | 576000 Deferred Tax Expense - State     | 198,042.00        | 25,885.00-        | 223,927.00    | 865.1  | *7*   |
|              |      | Total Deferred State                    | 198,042.00        | 25,885.00-        | 223,927.00    | 865.1  | *6*   |
|              |      | Total Income Tax Expense State          | 138,171.00        | 84,291.00-        | 222,462.00    | 263.9  | *5*   |
|              |      | Total U.S. Income Tax Expense           | 1,174,770.14      | 622,653.14-       | 1,797,423.28  | 288.7  | *4*   |
|              |      | Total Income Tax Expense                | 1,174,770.14      | 622,653.14-       | 1,797,423.28  | 288.7  | *3*   |
|              |      | Income-Continuing Operations After Tax  | 1,923,249.94-     | 993,840.41        | 2,917,090.35- | 293.5- |       |
|              |      | Net Income                              | 1,923,249.94-     | 993,840.41        | 2,917,090.35- | 293.5- | *2*   |
|              |      | Earnings Available for Common           | 1,923,249.94-     | 993,840.41        | 2,917,090.35- | 293.5- | *1*   |

**PacifiCorp Foundation**  
**Affiliated Transactions**  
**For the Year Ended December 31, 2007**

| <u>Account Description</u>   | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|------------------------------|---------------------------------------------|---------------------------------------------|
| Labor                        | \$ -                                        | \$ 112,783.34                               |
| Benefits                     | -                                           | 26,266.04                                   |
| Miscellaneous other expenses | -                                           | 38,251.79                                   |
| <b>Total</b>                 | <b>\$ -</b>                                 | <b>\$ 177,301.17</b>                        |

**PacifiCorp Foundation**  
**Statement of Financial Position**  
(in dollars)  
(Unaudited - Internal Use Only)

|                                  | <u>12/31/2007</u>            | <u>11/30/2007</u>            | <u>12/31/2006</u>               |
|----------------------------------|------------------------------|------------------------------|---------------------------------|
| <b>Assets:</b>                   |                              |                              |                                 |
| Cash                             | 132,113                      | 634,626                      | \$ 701,291                      |
| Restricted Investments           |                              |                              |                                 |
| Cash and cash equivalents        | 292,616                      | 193,311                      | 61,408                          |
| Interest receivable              | 835                          | 1,945                        | 660                             |
| Dividend receivable              | 8,873                        | 17,355                       | 8,616                           |
| Tax receivable                   | 2,726                        | 3,664                        | 3,611                           |
| Receivable for investments sold  | -                            | 55,365                       | -                               |
| Receivable from State Street     | -                            | 51,208                       | -                               |
| Equity stock investments         | 5,949,845                    | 5,961,940                    | 5,965,498                       |
| Mutual funds                     | 40,514,378                   | 40,516,685                   | 37,902,643                      |
| Total restricted investments     | <u>46,769,273</u>            | <u>46,801,473</u>            | <u>43,942,436</u>               |
| <br>Total assets                 | <br><u><u>46,901,386</u></u> | <br><u><u>47,436,099</u></u> | <br><u><u>44,643,727</u></u>    |
| <b>Liabilities:</b>              |                              |                              |                                 |
| Payable for investment purchased | -                            | 17,295                       | -                               |
| Interest payable                 | -                            | 201                          | -                               |
| Grants payable                   | 862,500                      | 862,500                      | 1,462,500                       |
|                                  | <u>862,500</u>               | <u>879,996</u>               | <u>1,462,500</u>                |
| <br>Net assets                   | <br><u><u>46,038,886</u></u> | <br><u><u>46,556,103</u></u> | <br><u><u>\$ 43,181,227</u></u> |

**PacifiCorp Foundation**  
**Statement of Income and Changes in Net Assets**  
For the Periods Ended December 31, 2007  
(in dollars)  
(Unaudited - Internal Use Only)

|                                            | <u>Current Month</u> | <u>Year-to-Date</u>  |
|--------------------------------------------|----------------------|----------------------|
| Revenue and contributions:                 |                      |                      |
| Deposits                                   | \$ -                 | \$ 3,234             |
| Interest income                            | 2,600                | 46,040               |
| Dividends                                  | 499,175              | 1,256,797            |
| Realized gain/(loss) on sale of investment | 32,013               | 2,141,080            |
| Unrealized gain/(loss) on investment       | (914,948)            | 978,081              |
| Capital gains - partnerships               | 375,254              | 604,351              |
| Miscellaneous income                       | 293                  | 584                  |
| Total revenues/(losses) and contributions  | <u>(5,613)</u>       | <u>5,030,167</u>     |
| Expenses:                                  |                      |                      |
| Grants:                                    |                      |                      |
| Health, welfare and social services        | -                    | 178,899              |
| Education                                  | -                    | 331,100              |
| Culture and arts                           | 342,845              | 362,345              |
| Civic and community betterment             | -                    | 253,000              |
| Giving campaign match                      | 48,475               | 464,997              |
| Small community capital project            | 54,750               | 160,250              |
| East side special fund                     | 12,500               | 30,500               |
| West side special fund                     | 29,250               | 67,500               |
| Total grants                               | <u>487,820</u>       | <u>1,848,591</u>     |
| Administrative expenses                    | 13,460               | 172,792              |
| Investment management fees                 | 7,111                | 105,889              |
| Taxes                                      | 3,000                | 44,129               |
| Bank fees                                  | -                    | 768                  |
| Miscellaneous expenses                     | 213                  | 339                  |
| Total expenses                             | <u>511,604</u>       | <u>2,172,508</u>     |
| Net assets increase (decrease)             | (517,217)            | 2,857,659            |
| Net assets beginning of period             | 46,556,103           | 43,181,227           |
| Net Assets end of period                   | <u>\$ 46,038,886</u> | <u>\$ 46,038,886</u> |

**Pacific Minerals, Inc. / Bridger Coal Co.  
Intercompany Transactions  
For the Year Ended December 31, 2007**

| <u>Account Description</u>         | <u>PacifiCorp<br/>Received<br/>Services (a)</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|------------------------------------|-------------------------------------------------|---------------------------------------------|
| Fuel purchased/sold                | \$ 91,013,613.12                                | \$ -                                        |
| Benefits and miscellaneous billing | -                                               | 9,721,787.81                                |
| Electricity sold/purchased (b)     | -                                               | 2,840,434.47                                |
| <b>Total</b>                       | <u><u>\$ 91,013,613.12</u></u>                  | <u><u>\$ 12,562,222.28</u></u>              |

(a) Represents the amount of coal received by PacifiCorp from Bridger Coal Co. during the year ended December 31, 2007.

(b) Represents electricity sold by PacifiCorp to Bridger Coal Co. at tariff.

Refer to Section III for information on the loans between PacifiCorp and Pacific Minerals, Inc.

Refer to Section V for information regarding income tax payments made between PacifiCorp and Pacific Minerals, Inc.

## Bridger

## Cash & Temporary Investments

## Cash Bank of the West

Cash JP Morgan Chase

## Temporary Investments

## Accounts Receivable Trade

AR Trade Idaho Power

AR Trade Other

## Accounts Receivable Interco

AR Inco Pacific Electric Operations

Total Accounts Receivable Interco

## Surface Coal

Hi-Wall Miner Coal

UIC Production Co.

Investment Coal Production Tax Royalties

## Material and Supplies Inventory

## Materials and Supplies Inventory- Underground

Materials and Supplies Return Exchange Loaner

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Dec-07

|                                        | PMI            | Elim            | Pacific<br>Minerals-<br>Parent | Bridger<br>Coal<br>Company |
|----------------------------------------|----------------|-----------------|--------------------------------|----------------------------|
|                                        | Consolidated   |                 |                                |                            |
| Total Material and Supplies Inventory  | 12,836,369.54  | 0.00            | 0.00                           | 12,836,369.54              |
| Prepayments and Other Current Assets   |                |                 |                                |                            |
| Prepayments Cost Collection            | 0.01           |                 |                                | 0.01                       |
| OthCurAsset/Diesel Clearing            | 0.00           |                 |                                | 0.00                       |
| OthCurAsset/Gasoline Clearing          | 0.00           |                 |                                | 0.00                       |
| OthCurAsset/NonIssue Stock Clearing    | 0.00           |                 |                                | 0.00                       |
| OthCurAsset/KLS EPS Clearing           | 0.00           |                 |                                | 0.00                       |
| OthCurAsset/Prill Clearing             | 0.00           |                 |                                | 0.00                       |
| OthCurAsset/Components Clearing        | 0.00           |                 |                                | 0.00                       |
| OthCurAsset/Suspense                   | 431.97         |                 | 0.00                           | 431.97                     |
| Total Prepays & Other Current Assets   | 431.98         | 0.00            | 0.00                           | 431.98                     |
| Investment in Subsidiary               |                |                 |                                |                            |
| Investment in Subs - Bridger           | 0.00           | -152,902,158.22 | 152,902,158.22                 |                            |
| Total Investment in Subsidiary         | 0.00           | -152,902,158.22 | 152,902,158.22                 | 0.00                       |
| Property Plant & Equipemnt             |                |                 |                                |                            |
| Land                                   | 6,211.00       |                 |                                | 6,211.00                   |
| Land Improvements                      | 10,070,133.60  |                 |                                | 10,070,133.60              |
| Mine Development                       | 17,100,336.75  |                 |                                | 17,100,336.75              |
| Buildings & Improvements               | 20,461,079.95  |                 |                                | 20,461,079.95              |
| Capitalized Interest                   | 410,399.65     |                 |                                | 410,399.65                 |
| Haul Roads                             | 12,641,427.38  |                 |                                | 12,641,427.38              |
| Mining Equipment                       | 126,557,449.70 |                 |                                | 126,557,449.70             |
| Vehicles                               | 115,467,942.03 |                 |                                | 115,467,942.03             |
| Office Furniture & Equipment           | 301,408.91     |                 |                                | 301,408.91                 |
| Computer Hardware & Software           | 3,785,027.66   |                 |                                | 3,785,027.66               |
| Other Equipment                        | 6,810,212.37   |                 |                                | 6,810,212.37               |
| Mineral Rights                         | 14,025,623.52  |                 |                                | 14,025,623.52              |
| Sub-Total Property Plant and Equipment | 327,637,252.52 | 0.00            | 0.00                           | 327,637,252.52             |
| Accumulated Depreciation               |                |                 |                                |                            |
| AD Land Improvements                   | -1,270,880.07  |                 |                                | -1,270,880.07              |

Dec-07

|                                              | PMI                    | Elim                   | Pacific<br>Minerals-<br>Parent | Bridger<br>Coal<br>Company |
|----------------------------------------------|------------------------|------------------------|--------------------------------|----------------------------|
|                                              | Consolidated           |                        |                                |                            |
| AD Mine Development                          | -9,165,699.76          |                        |                                | -9,165,699.76              |
| AD Buildings & Improvements                  | -9,303,898.87          |                        |                                | -9,303,898.87              |
| AD Capitalized Interest                      | -154,614.19            |                        |                                | -154,614.19                |
| AD Haul Roads                                | -6,234,748.32          |                        |                                | -6,234,748.32              |
| AD Mining Equipment                          | -21,833,865.88         |                        |                                | -21,833,865.88             |
| AD Vehicles                                  | -78,647,761.54         |                        |                                | -78,647,761.54             |
| AD Office Furniture & Equipment              | -299,380.42            |                        |                                | -299,380.42                |
| AD Computer Hardware & Software              | -2,623,295.38          |                        |                                | -2,623,295.38              |
| AD Other Equipment                           | -3,035,021.95          |                        |                                | -3,035,021.95              |
| AD Mineral Rights                            | -256,932.33            |                        |                                | -256,932.33                |
| <b>Sub-Total Accumulated Depreciation</b>    | <b>-132,826,098.71</b> | <b>0.00</b>            | <b>0.00</b>                    | <b>-132,826,098.71</b>     |
| <b>Total Property, Plant &amp; Equipment</b> | <b>194,811,153.81</b>  | <b>0.00</b>            | <b>0.00</b>                    | <b>194,811,153.81</b>      |
| <b>Construction Work In Process</b>          |                        |                        |                                |                            |
| CWIP Additions                               | 117,025,062.67         |                        |                                | 117,025,062.67             |
| CWIP Capitalizations                         | -98,608,426.02         |                        |                                | -98,608,426.02             |
| <b>Total Construction Work in Progress</b>   | <b>18,416,636.65</b>   | <b>0.00</b>            | <b>0.00</b>                    | <b>18,416,636.65</b>       |
| <b>Other Non-Current Assets</b>              |                        |                        |                                |                            |
| Deferred Longwall                            | 618,915.13             |                        |                                | 618,915.13                 |
| Reclamation Trust Fund                       | 38,520,236.92          |                        |                                | 38,520,236.92              |
| Reclamation Trust Earnings                   | 73,934,498.96          |                        |                                | 73,934,498.96              |
| Reclamation Trust Tax Withheld               | -5,757,510.90          |                        |                                | -5,757,510.90              |
| Reclamation Trust Market Value               | 9,815,925.21           |                        |                                | 9,815,925.21               |
| Asset Retirement Obligation                  | 38,509,829.00          |                        |                                | 38,509,829.00              |
| ARO - Accumulated Depreciation               | -38,509,829.04         |                        |                                | -38,509,829.04             |
| Employee Housing Project                     | 222,782.92             |                        |                                | 222,782.92                 |
| <b>Total Other Non-Current Assets</b>        | <b>117,354,848.20</b>  | <b>0.00</b>            | <b>0.00</b>                    | <b>117,354,848.20</b>      |
| <b>Total - Assets</b>                        | <b>389,691,047.64</b>  | <b>-155,296,123.33</b> | <b>155,732,572.94</b>          | <b>389,254,598.03</b>      |

**LIABILITIES**

Accounts Payable - Trade

Dec-07

|                                            | PMI                   | Elim                | Pacific<br>Minerals-<br>Parent | Bridger<br>Coal<br>Company |
|--------------------------------------------|-----------------------|---------------------|--------------------------------|----------------------------|
|                                            | Consolidated          |                     |                                |                            |
| AP Goods Received Not Invoiced             | -7,018,123.15         |                     | 0.00                           | -7,018,123.15              |
| AP Unpaid Invoices                         | -2,091,319.92         |                     | 0.00                           | -2,091,319.92              |
| AP Manual Accruals                         | -3,185,154.64         |                     |                                | -3,185,154.64              |
| <b>Total Accounts Payable Trade</b>        | <b>-12,294,597.71</b> | <b>0.00</b>         | <b>0.00</b>                    | <b>-12,294,597.71</b>      |
| <b>Accounts Payable Intercompany</b>       |                       |                     |                                |                            |
| AP Inco Pacific Electric Operations        | -25,975,114.60        |                     | -25,975,114.60                 |                            |
| AP Inco PMI                                | -0.03                 | 2,369,011.38        |                                | -2,369,011.41              |
| AP Inco PacificCorp Benefits               | -743,860.32           |                     | -743,860.32                    |                            |
| AP Inco PacificCorp Royalties              | 0.00                  | 24,953.73           |                                | -24,953.73                 |
| <b>Total Accounts Payable Intercompany</b> | <b>-26,718,974.95</b> | <b>2,393,965.11</b> | <b>-26,718,974.92</b>          | <b>-2,393,965.14</b>       |
| <b>Payroll Liabilities</b>                 |                       |                     |                                |                            |
| FICA Taxes Payable EE                      | -94,814.73            |                     | -94,814.73                     |                            |
| FICA Taxes Payable ER                      | -94,835.62            |                     | -94,835.62                     |                            |
| Federal Taxes Payable                      | -166,768.04           |                     | -166,768.04                    |                            |
| WY Worker's Compensation                   | -134,100.00           |                     | -134,100.00                    |                            |
| WY Unemployment Insurance                  | -9,238.41             |                     | -9,238.41                      |                            |
| Federal Unemployment Insurance             | -9,913.41             |                     | -9,913.41                      |                            |
| Union Dues                                 | 2,404.67              |                     | 2,404.67                       |                            |
| Life Insurance                             | -4,098.22             |                     | -4,098.22                      |                            |
| Credit Union Withholding                   | -65,157.00            |                     | -65,157.00                     |                            |
| Misc Payroll Withholding                   | -3,904.56             |                     | -3,904.56                      |                            |
| 401K Contributions                         | -55,080.98            |                     | -55,080.98                     |                            |
| Union Pension                              | -33,287.33            |                     | -33,287.33                     |                            |
| 401K Fixed                                 | -2,385.07             |                     | -2,385.07                      |                            |
| 401K Matched                               | -61,035.05            |                     | -61,035.05                     |                            |
| 401K Loan Repay                            | -24,395.42            |                     | -24,395.42                     |                            |
| Garnishments                               | -8,655.22             |                     | -8,655.22                      |                            |
| Vacation Accrual                           | -1,584,816.34         |                     | -1,584,816.34                  |                            |
| Net Payroll                                | -792,536.27           |                     | -792,536.27                    |                            |
| Accrued Wages                              | -717,416.34           |                     |                                | -717,416.34                |

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|                                              | PMI<br>Consolidated | Elim           | Pacific<br>Minerals-<br>Parent | Bridger<br>Coal<br>Company |
|----------------------------------------------|---------------------|----------------|--------------------------------|----------------------------|
| Accrued Overheads                            | -86,089.96          |                |                                | -86,089.96                 |
| Accrued Bonus                                | 0.00                |                |                                | 0.00                       |
| <b>Total Payroll Liabilities</b>             | -3,946,123.30       | 0.00           | -3,142,617.00                  | -803,506.30                |
| <b>Royalties and Taxes Payable</b>           |                     |                |                                |                            |
| Accrued Royalties - BLM                      | -292,526.68         |                |                                | -292,526.68                |
| Accrued Royalties - IER                      | -12,476.87          |                |                                | -12,476.87                 |
| Accrued Royalties - ALC                      | -1,670,781.98       |                |                                | -1,670,781.98              |
| Accrued Royalties - State of Wyoming         | -634,622.26         |                |                                | -634,622.26                |
| Production Tax Payable - Severance           | -61,603.34          |                |                                | -61,603.34                 |
| Production Tax Payable - Wyoming Extraction  | -6,042,987.75       |                |                                | -6,042,987.75              |
| Production Tax Payable - Federal Reclamation | -325,735.23         |                |                                | -325,735.23                |
| Production Tax Payable - Black Lung          | -203,048.45         |                |                                | -203,048.45                |
| Taxes Payable - Property                     | -536,500.91         |                |                                | -536,500.91                |
| Taxes Payable - Sales & Use                  | -99,779.79          |                |                                | -99,779.79                 |
| <b>Total Taxes Payable</b>                   | -9,880,063.26       | 0.00           | 0.00                           | -9,880,063.26              |
| <b>Other Non-Current Liabilities</b>         |                     |                |                                |                            |
| Production Tax Long Term                     | -2,754,471.52       |                |                                | -2,754,471.52              |
| Coal Lease Bonus Long Term                   | -5,768,086.30       |                |                                | -5,768,086.30              |
| Final Reclamation PreTrust                   | -5,420,623.98       |                |                                | -5,420,623.98              |
| Final Reclamation PostTrust                  | -36,835,622.77      |                |                                | -36,835,622.77             |
| ARO Reg. Liab. Unrealized Earnings           | -6,543,950.14       | 3,271,975.07   |                                | -9,815,925.21              |
| ARO Regulatory Liability                     | -15,772,293.32      |                |                                | -15,772,293.32             |
| ARO Liability                                | -19,002,543.04      |                |                                | -19,002,543.04             |
| Reclamation Other                            | -39,159,662.56      |                |                                | -39,159,662.56             |
| Minority Interest                            | -79,723,054.04      | -79,723,054.04 |                                |                            |
| <b>Total Other Non-Current Liabilities</b>   | -210,980,307.67     | -76,451,078.97 | 0.00                           | -134,529,228.70            |
| <b>Total Liabilities</b>                     | -263,820,066.89     | -74,057,113.86 | -29,861,591.92                 | -159,901,361.11            |

**Equity****Owner's Equity - Common Stock**

Dec-07

|                                          | PMI<br>Consolidated | Elim            | Pacific<br>Minerals-<br>Parent | Bridger<br>Coal<br>Company |
|------------------------------------------|---------------------|-----------------|--------------------------------|----------------------------|
| Common Stock                             | -1.00               |                 | -1.00                          |                            |
| Total Owner's Equity - Common Stock      | -1.00               | 0.00            | -1.00                          | 0.00                       |
| <b>Paid-in Capital</b>                   |                     |                 |                                |                            |
| Paid in Capital                          | -32,460,000.00      |                 | -32,460,000.00                 |                            |
| Total Paid In Capital                    | -32,460,000.00      | 0.00            | -32,460,000.00                 | 0.00                       |
| <b>Contributions</b>                     |                     |                 |                                |                            |
| Contributions - Pacific Minerals Inc.    | 0.00                | 93,800,000.00   |                                | -93,800,000.00             |
| Contributions - Idaho Energy Resources   | 0.00                | 46,900,000.00   |                                | -46,900,000.00             |
| Total Contributions                      | 0.00                | 140,700,000.00  | 0.00                           | -140,700,000.00            |
| <b>Distributions</b>                     |                     |                 |                                |                            |
| Distributions - Pacific Minerals Inc.    | 0.00                | -76,450,000.00  |                                | 76,450,000.00              |
| Distributions - Idaho Energy Resources   | 0.00                | -38,225,000.00  |                                | 38,225,000.00              |
| Total Distributions                      | 0.00                | -114,675,000.00 | 0.00                           | 114,675,000.00             |
| <b>Dividends</b>                         |                     |                 |                                |                            |
| Dividends                                | 149,634,090.00      |                 | 149,634,090.00                 |                            |
| Total Dividends                          | 149,634,090.00      | 0.00            | 149,634,090.00                 | 0.00                       |
| <b>Retained Earnings</b>                 |                     |                 |                                |                            |
| Retained Earnings                        | -236,236,153.68     |                 | -236,236,153.68                |                            |
| Current Year Income                      | -6,808,916.07       | 16,657,671.13   | -6,808,916.34                  | -16,657,670.86             |
| Retained Earnings Pacific Minerals Inc.  | 0.00                | 124,447,043.84  |                                | -124,447,043.84            |
| Retained Earnings Idaho Energy Resources | 0.00                | 62,223,522.22   |                                | -62,223,522.22             |
| Total Retained Earnings                  | -243,045,069.75     | 203,328,237.19  | -243,045,070.02                | -203,328,236.92            |
| Total Equity                             | -125,870,980.75     | 229,353,237.19  | -125,870,981.02                | -229,353,236.92            |
| Total Liabilities and Equity             | -389,691,047.64     | 155,296,123.33  | -155,732,572.94                | -389,254,598.03            |

**Current Year Income**

|                           |                 |      |      |                 |
|---------------------------|-----------------|------|------|-----------------|
| <b>Coal Sales Revenue</b> |                 |      |      |                 |
| Revenue Coal PP& L        | -102,071,883.00 |      |      | -102,071,883.00 |
| Revenue Coal Idaho Power  | -51,035,935.00  |      |      | -51,035,935.00  |
| Total Coal Sales Revenue  | -153,107,818.00 | 0.00 | 0.00 | -153,107,818.00 |

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**Revenue Equity in Subsidiary**

Revenue Equity in Bridger

Total Revenue Equity in Subsidiary

**Other Operating Revenue**

Gain Loss on Sale of Assets

Total Other Operating Revenue

**Total Revenue****Operating Expense**

Labor

Payroll Overhead

Employee Related

Materials &amp; Supplies

Equipment

Outside Services

Administrative Other

Charge Outs

Total Operating Expense

**Non-Operating Expense**

Depreciation and Amortization

Royalties

Taxes Other Than Income

Management Fee

Total Non-Operating Expense

Total Expense

**Profit Before Minority Interest and Taxes****Interest Expense**

Intercompany Interest Expense

|                                           | PMI<br>Consolidated | Elim          | Pacific<br>Minerals-<br>Parent | Bridger<br>Coal<br>Company |
|-------------------------------------------|---------------------|---------------|--------------------------------|----------------------------|
| Revenue Equity in Subsidiary              |                     |               |                                |                            |
| Revenue Equity in Bridger                 | 0.00                | 11,105,114.18 | -11,105,114.18                 | 0.00                       |
| Total Revenue Equity in Subsidiary        | 0.00                | 11,105,114.18 | -11,105,114.18                 | 0.00                       |
| Other Operating Revenue                   |                     |               |                                |                            |
| Gain Loss on Sale of Assets               | -17,774.91          |               |                                | -17,774.91                 |
| Total Other Operating Revenue             | -17,774.91          | 0.00          | 0.00                           | -17,774.91                 |
| Total Revenue                             | -153,125,592.91     | 11,105,114.18 | -11,105,114.18                 | -153,125,592.91            |
| Operating Expense                         |                     |               |                                |                            |
| Labor                                     | 33,819,528.54       |               |                                | 33,819,528.54              |
| Payroll Overhead                          | 12,477,810.33       |               |                                | 12,477,810.33              |
| Employee Related                          | 1,775,466.75        |               |                                | 1,775,466.75               |
| Materials & Supplies                      | 44,370,886.04       |               |                                | 44,370,886.04              |
| Equipment                                 | 14.81               |               |                                | 14.81                      |
| Outside Services                          | 14,353,320.83       |               |                                | 14,353,320.83              |
| Administrative Other                      | 668,610.76          |               | 39,404.64                      | 629,206.12                 |
| Charge Outs                               | -29,542,830.44      |               |                                | -29,542,830.44             |
| Total Operating Expense                   | 77,922,807.62       | 0.00          | 39,404.64                      | 77,883,402.98              |
| Non-Operating Expense                     |                     |               |                                |                            |
| Depreciation and Amortization             | 19,237,932.94       |               |                                | 19,237,932.94              |
| Royalties                                 | 17,480,863.00       |               |                                | 17,480,863.00              |
| Taxes Other Than Income                   | 19,505,123.56       |               |                                | 19,505,123.56              |
| Management Fee                            | 2,157,492.00        |               |                                | 2,157,492.00               |
| Total Non-Operating Expense               | 58,381,411.50       | 0.00          | 0.00                           | 58,381,411.50              |
| Total Expense                             | 136,304,219.12      | 0.00          | 39,404.64                      | 136,264,814.48             |
| Profit Before Minority Interest and Taxes | -16,821,373.79      | 11,105,114.18 | -11,065,709.54                 | -16,860,778.43             |

1,282,783.75

1,282,783.75

Dec-07

|                                           |  |  |  |  |            |
|-------------------------------------------|--|--|--|--|------------|
| Intercompany Interest Income              |  |  |  |  |            |
| Other Interest Income                     |  |  |  |  | 203,107.57 |
| Minority Interest                         |  |  |  |  |            |
| <b>Total Interest and Other</b>           |  |  |  |  |            |
| <b>Income Before Federal Income Taxes</b> |  |  |  |  |            |

|                                   |  |  |  |  |  |
|-----------------------------------|--|--|--|--|--|
| <b>Federal Income Taxes</b>       |  |  |  |  |  |
| Current Federal Income Tax        |  |  |  |  |  |
| Deferred Federal Income Tax       |  |  |  |  |  |
| <b>Total Federal Income Taxes</b> |  |  |  |  |  |
| <b>Net Income</b>                 |  |  |  |  |  |

|                              |  |  |  |  |  |
|------------------------------|--|--|--|--|--|
| <b>Net Income Allocation</b> |  |  |  |  |  |
| (5,552,556.95)               |  |  |  |  |  |
| (11,105,113.91)              |  |  |  |  |  |
| (16,657,670.86)              |  |  |  |  |  |

|                       |  |  |  |  |  |
|-----------------------|--|--|--|--|--|
| Idaho Power 1/3 share |  |  |  |  |  |
| PMI 2/3 share         |  |  |  |  |  |
| <b>TOTAL</b>          |  |  |  |  |  |

**Trapper Mining, Inc.**  
**Affiliated Transactions**  
**For the Year Ended December 31, 2007**

| <u>Account Description</u> | <u>PacifiCorp<br/>Received<br/>Services</u> | <u>PacifiCorp<br/>Provided<br/>Services</u> |
|----------------------------|---------------------------------------------|---------------------------------------------|
| Fuel purchased/sold (a)    | \$ 11,189,538.63                            | \$ -                                        |
| <b>Total</b>               | <b>\$ 11,189,538.63</b>                     | <b>\$ -</b>                                 |

(a) Represents the amount of coal received by PacifiCorp from Trapper Mining, Inc. during the year ended December 31, 2007.

Trapper Mining Inc.  
Consolidated Balance Sheet  
December 31, 2007  
(Unaudited)

**Assets:**

Current Assets:

|                                                 |               |
|-------------------------------------------------|---------------|
| Cash & Cash Equivalents                         | \$ 4,154,815  |
| Accounts Receivable                             | 5,094,171     |
| Inventories                                     | 4,244,472     |
| Prepaid and Other Current Assets                | 475,507       |
| Total Current Assets .....                      | \$ 13,968,965 |
| Property Plant and Equipment before FAS 143:    |               |
| Lands and Leases                                | \$ 9,531,921  |
| Development Costs                               | 2,834,815     |
| Equipment and Facilities                        | 79,814,423    |
| Total Property Plant and Equipment (Cost) ..... | \$ 92,181,159 |
| Less Depreciation and Amortization              | (76,788,786)  |
| Total Property Plant and Equipment (Net) .....  | \$ 15,392,373 |
| FAS 143 Property Plant and Equipment (Net) ...  | 6,162,291     |
| Grand Total Property Plant and Equipment (Net)  | \$ 21,554,664 |
| Acquired GE Royalty                             | 9,545,455     |
| Reclamation Receivable from Buyers              | 8,841,054     |
| Restricted Funds - Black Lung                   | 528,323       |

**Total Assets .....** **\$ 54,438,461**

**Liabilities and Members' Equity:**

Current Liabilities:

|                                 |               |
|---------------------------------|---------------|
| Accounts Payable                | \$ 1,367,316  |
| Accrued Royalties               | 415,850       |
| Accrued Payroll Expenses        | 2,495,563     |
| Accrued Production Taxes        | 1,314,746     |
| Deferred Reclamation Revenue    | 43,764        |
| Current Portion Long-Term Debt  | 4,570,479     |
| Total Current Liabilities ..... | \$ 10,207,718 |
| Long-Term Debt                  | 3,095,763     |
| Asset Retirement Liability      | 15,395,032    |
| Long-Term Black Lung Liability  | 261,993       |
| Total Liabilities .....         | \$ 28,960,506 |

Members' Equity

|                                     |               |
|-------------------------------------|---------------|
| Paid in Capital @ 1/1/98            | \$ 20,324,925 |
| Patronage Equity - Prior Year       | 4,766,891     |
| Non-Patronage Equity - Prior Year   | 208,419       |
| Patronage Equity - Current Year     | 87,714        |
| Non-Patronage Equity - Current Year | 90,006        |
| Total Members' Equity .....         | \$ 25,477,955 |

**Total Liabilities and Members' Equity .....** **\$ 54,438,461**

TRAPPER MINING INC  
CONSOLIDATED NET INCOME  
AS OF: DECEMBER 31, 2007

|                                  |        | <u>NET INCOME<br/>FOR THE MONTH</u> | <u>NET INCOME<br/>YEAR TO DATE</u> |
|----------------------------------|--------|-------------------------------------|------------------------------------|
| TRAPPER MINING                   |        | \$ 301,248.64                       | 188,980.89                         |
| WILLIAMS FORK MINING             |        |                                     | <u>15,920.03</u>                   |
| NET INCOME (LOSS) BEFORE TAX     |        | <u>\$ 301,248.64</u>                | <u>\$ 204,900.92</u>               |
| CURRENT TAX PROVISION            |        | <u>(27,181.00)</u>                  | <u>(27,181.00)</u>                 |
| TOTAL TAX PROVISION              |        | <u>(27,181.00)</u>                  | <u>(27,181.00)</u>                 |
| NET INCOME (LOSS) AFTER TAX      |        | <u>\$ 274,067.64</u>                | <u>177,719.92</u>                  |
|                                  |        |                                     |                                    |
| SALT RIVER                       | 32.10% | 2,980.98                            | 28,891.91                          |
| TRI-STATE                        | 26.57% | 2,467.43                            | 23,914.58                          |
| PACIFICORP                       | 21.40% | 1,987.31                            | 19,261.27                          |
| PLATTE RIVER                     | 19.93% | <u>1,850.81</u>                     | <u>17,938.19</u>                   |
| TOTAL NONPATRONAGE INCOME (LOSS) |        | <u>9,286.53</u>                     | <u>90,005.95</u>                   |
|                                  |        |                                     |                                    |
| SALT RIVER                       | 32.10% | 84,994.74                           | 28,156.19                          |
| TRI-STATE                        | 26.57% | 70,352.34                           | 23,305.60                          |
| PACIFICORP                       | 21.40% | 56,663.16                           | 18,770.79                          |
| PLATTE RIVER                     | 19.93% | <u>52,770.87</u>                    | <u>17,481.39</u>                   |
| TOTAL PATRONAGE INCOME (LOSS)    |        | <u>264,781.11</u>                   | <u>87,713.97</u>                   |
|                                  |        |                                     |                                    |
| TOTAL INCOME (LOSS)              |        | <u>274,067.64</u>                   | <u>177,719.92</u>                  |

TRAPPER MINING INC  
CONSOLIDATED PATRONAGE & NONPATRONAGE INCOME ALLOCATION  
DECEMBER 31, 2007

|                           |        | <u>NET INCOME \$<br/>FOR THE MONTH</u> | <u>NET INCOME<br/>YEAR TO DATE</u> |
|---------------------------|--------|----------------------------------------|------------------------------------|
| TRAPPER PATRONAGE INCOME  |        | 264,781.11                             |                                    |
| TRAPPER NONPATRON INCOME  |        | <u>9,286.53</u>                        |                                    |
| TOTAL TRAPPER INCOME      |        | 274,067.64                             |                                    |
| WFMC NONPATRONAGE INCOME  |        |                                        |                                    |
| TOTAL CONSOLIDATED INCOME |        | <u>274,067.64</u>                      |                                    |
|                           |        |                                        |                                    |
| SALT RIVER                | 32.10% | 84,994.74                              | 28,156.19                          |
| TRI-STATE                 | 26.57% | 70,352.34                              | 23,305.60                          |
| PACIFICORP                | 21.40% | 56,663.16                              | 18,770.79                          |
| PLATTE RIVER              | 19.93% | <u>52,770.87</u>                       | <u>17,481.39</u>                   |
| TOTAL TRAPPER PATRONAGE   |        | 264,781.11                             | 87,713.97                          |
|                           |        |                                        |                                    |
| SALT RIVER                | 32.10% | 2,980.98                               | 23,781.58                          |
| TRI-STATE                 | 26.57% | 2,467.43                               | 19,684.63                          |
| PACIFICORP                | 21.40% | 1,987.31                               | 15,854.38                          |
| PLATTE RIVER              | 19.93% | <u>1,850.81</u>                        | <u>14,765.33</u>                   |
| TOTAL TRAPPER NONPATRON   |        | 9,286.53                               | 74,085.92                          |
| TOTAL TRAPPER INCOME      |        | 274,067.64                             | 161,799.89                         |
|                           |        |                                        |                                    |
| SALT RIVER                | 32.10% | -                                      | 5,110.33                           |
| TRI-STATE                 | 26.57% | -                                      | 4,229.95                           |
| PACIFICORP                | 21.40% | -                                      | 3,406.89                           |
| PLATTE RIVER              | 19.93% | <u>-</u>                               | <u>3,172.86</u>                    |
| TOTAL WFMC NONPATRONAGE   |        | -                                      | 15,920.03                          |

### **III. Loans**

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

1. The month-end amounts outstanding.
2. The highest amount outstanding during the year, separately for short-term and long-term loans.
3. A description of the terms and conditions, including basis for interest rates.
4. The total amount of interest charged or credited and the weighted-average interest rate.

**Loan Summary**  
**2007**

| REQUIREMENTS                                                                                                                                 | COMBINED NET<br>INTERCOMPANY BALANCES                               | INTERMOUNTAIN<br>GEOTHERMAL CO.                                     | PACIFIC<br>MINERALS, INC.                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|
| III. For inter-company loans to or from affiliates:                                                                                          |                                                                     |                                                                     |                                                                     |
| A. The month-end amounts outstanding for short-term and long-term loans:                                                                     |                                                                     |                                                                     |                                                                     |
| Short-term loans:                                                                                                                            |                                                                     |                                                                     |                                                                     |
| January - December                                                                                                                           | (a)                                                                 | (a)                                                                 | (a)                                                                 |
| Long-term loans:                                                                                                                             | N/A                                                                 | N/A                                                                 | N/A                                                                 |
| B. The highest amount during the year separately for short-term and long-term loans:                                                         |                                                                     |                                                                     |                                                                     |
| Maximum loan to affiliate:                                                                                                                   |                                                                     |                                                                     |                                                                     |
| Short-term loans:                                                                                                                            |                                                                     |                                                                     |                                                                     |
| Amount                                                                                                                                       | \$30,107,622.95                                                     | \$0                                                                 | \$30,107,622.95                                                     |
| Date                                                                                                                                         | September 12, 2007                                                  | N/A                                                                 | September 12, 2007                                                  |
| Maximum loan to affiliate:                                                                                                                   |                                                                     |                                                                     |                                                                     |
| Long-term loans:                                                                                                                             |                                                                     |                                                                     |                                                                     |
| Amount                                                                                                                                       | N/A                                                                 | N/A                                                                 | N/A                                                                 |
| Date                                                                                                                                         | N/A                                                                 | N/A                                                                 | N/A                                                                 |
| Maximum loan from affiliate:                                                                                                                 |                                                                     |                                                                     |                                                                     |
| Short-term loans:                                                                                                                            |                                                                     |                                                                     |                                                                     |
| Amount                                                                                                                                       | \$1,577,578.55                                                      | \$1,577,578.55                                                      | \$0                                                                 |
| Date                                                                                                                                         | January 2, 2007                                                     | January 2, 2007                                                     | N/A                                                                 |
| Maximum loan from affiliate:                                                                                                                 |                                                                     |                                                                     |                                                                     |
| Long-term loans:                                                                                                                             |                                                                     |                                                                     |                                                                     |
| Amount                                                                                                                                       | N/A                                                                 | N/A                                                                 | N/A                                                                 |
| Date                                                                                                                                         | N/A                                                                 | N/A                                                                 | N/A                                                                 |
| C. A description of the terms and conditions for loans including the basis for interest rates:                                               | Pursuant to the terms and conditions of the Umbrella Loan Agreement | Pursuant to the terms and conditions of the Umbrella Loan Agreement | Pursuant to the terms and conditions of the Umbrella Loan Agreement |
| D. The total amount of interest charged or credited and the weighted average rate of interest separately for short-term and long-term loans: |                                                                     |                                                                     |                                                                     |
| Short-term loans                                                                                                                             |                                                                     |                                                                     |                                                                     |
| Interest paid                                                                                                                                | \$42,938.82                                                         | \$42,938.82                                                         | \$0.00                                                              |
| Interest received                                                                                                                            | \$1,282,783.75                                                      | \$0.00                                                              | \$1,282,783.75                                                      |
|                                                                                                                                              | (b)                                                                 | (b)                                                                 | (b)                                                                 |
| Long-term loans                                                                                                                              |                                                                     |                                                                     |                                                                     |
| Interest charged or credited                                                                                                                 | N/A                                                                 | N/A                                                                 | N/A                                                                 |

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

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

# PacifiCorp - Intermountain Geothermal Company

## Umbrella Loan Agreement Transactions Statement Intermountain Geothermal Company ("IGC")

2007

| Month  | Net Principal Advanced |                 | Net Principal Repaid |               | Principal Advanced |        | Principal Repaid |        | Outstanding Month End Balance* | Interest Rate Range | Accrued Interest Paid |               | Accrued Interest Received |               |
|--------|------------------------|-----------------|----------------------|---------------|--------------------|--------|------------------|--------|--------------------------------|---------------------|-----------------------|---------------|---------------------------|---------------|
|        | To PacifiCorp          | By PacifiCorp   | To PacifiCorp        | By PacifiCorp | To IGC             | By IGC | To IGC           | By IGC |                                |                     | By PacifiCorp         | By PacifiCorp | By PacifiCorp             | By PacifiCorp |
| Jan-07 | \$ 7,663.80            | \$ 76,323.66    | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | (1,501,254.89)                 | 5.2900%-5.3300%     | \$ 7,100.98           | \$ -          | \$ -                      | \$ -          |
| Feb-07 | \$ 2,018.63            | \$ 73,978.75    | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | (1,429,294.77)                 | 5.3100%-5.3200%     | \$ 6,116.45           | \$ -          | \$ -                      | \$ -          |
| Mar-07 | \$ 6,116.45            | \$ 123,781.36   | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | (1,311,629.86)                 | 5.3200%             | \$ 6,386.35           | \$ -          | \$ -                      | \$ -          |
| Apr-07 | \$ 6,316.35            | \$ 73,717.49    | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | (1,244,228.72)                 | 5.3200%             | \$ 5,698.67           | \$ -          | \$ -                      | \$ -          |
| May-07 | \$ 5,698.67            | \$ 117,580.46   | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | (1,132,346.93)                 | 5.3200%             | \$ 5,508.87           | \$ -          | \$ -                      | \$ -          |
| Jun-07 | \$ -                   | \$ 50,758.00    | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | (1,081,588.93)                 | 5.3100%-5.3500%     | \$ 4,962.85           | \$ -          | \$ -                      | \$ -          |
| Jul-07 | \$ -                   | \$ 369,034.36   | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | (712,554.57)                   | 5.3243%-5.4000%     | \$ 4,611.72           | \$ -          | \$ -                      | \$ -          |
| Aug-07 | \$ -                   | \$ 712,554.57   | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | -                              | 5.1586%-5.9037%     | \$ 2,552.93           | \$ -          | \$ -                      | \$ -          |
| Sep-07 | \$ -                   | \$ -            | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | -                              | -                   | \$ -                  | \$ -          | \$ -                      | \$ -          |
| Oct-07 | \$ -                   | \$ -            | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | -                              | -                   | \$ -                  | \$ -          | \$ -                      | \$ -          |
| Nov-07 | \$ -                   | \$ -            | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | -                              | -                   | \$ -                  | \$ -          | \$ -                      | \$ -          |
| Dec-07 | \$ -                   | \$ -            | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | -                              | -                   | \$ -                  | \$ -          | \$ -                      | \$ -          |
| TOTAL  | \$ 27,813.90           | \$ 1,597,728.65 | \$ -                 | \$ -          | \$ -               | \$ -   | \$ -             | \$ -   | -                              | -                   | \$ 42,938.82          | \$ -          | \$ -                      | \$ -          |

\*Outstanding month-end balances advanced to PacifiCorp are shown in parentheses.  
Intermountain Geothermal Company was merged with and into its direct parent, PacifiCorp, on August 31, 2007, with PacifiCorp surviving.

**PacifiCorp - Pacific Minerals, Inc.**

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

2007

| Month        | Net Principal<br>Advanced<br>To PacifiCorp | Net Principal<br>Repaid<br>By PacifiCorp | Principal<br>Advanced<br>To PMI | Principal<br>Repaid<br>By PMI | Outstanding<br>Month End<br>Balance* | Interest<br>Rate<br>Range | Accrued<br>Interest Paid<br>By PacifiCorp | Accrued<br>Interest Received<br>By PacifiCorp |
|--------------|--------------------------------------------|------------------------------------------|---------------------------------|-------------------------------|--------------------------------------|---------------------------|-------------------------------------------|-----------------------------------------------|
| Jan-07       | \$ -                                       | \$ -                                     | \$ 10,000,000.00                | \$ 5,165,000.00               | \$ 27,591,622.95                     | 5.2900%-5.3300%           | \$ -                                      | \$ 115,818.18                                 |
| Feb-07       | \$ -                                       | \$ -                                     | \$ -                            | \$ 9,447,000.00               | \$ 18,144,622.95                     | 5.3100%-5.3200%           | \$ -                                      | \$ 98,430.78                                  |
| Mar-07       | \$ -                                       | \$ -                                     | \$ 7,100,000.00                 | \$ 5,406,000.00               | \$ 19,838,622.95                     | 5.3200%                   | \$ -                                      | \$ 88,002.45                                  |
| Apr-07       | \$ -                                       | \$ -                                     | \$ 8,300,000.00                 | \$ 6,930,000.00               | \$ 21,208,622.95                     | 5.3200%                   | \$ -                                      | \$ 92,183.58                                  |
| May-07       | \$ -                                       | \$ -                                     | \$ 10,200,000.00                | \$ 5,980,000.00               | \$ 25,428,622.95                     | 5.3200%                   | \$ -                                      | \$ 111,061.99                                 |
| Jun-07       | \$ -                                       | \$ -                                     | \$ 4,800,000.00                 | \$ 3,650,000.00               | \$ 26,578,622.95                     | 5.3100%-5.3500%           | \$ -                                      | \$ 119,689.56                                 |
| Jul-07       | \$ -                                       | \$ -                                     | \$ 2,200,000.00                 | \$ 7,244,000.00               | \$ 21,534,622.95                     | 5.3243%-5.4000%           | \$ -                                      | \$ 113,796.69                                 |
| Aug-07       | \$ -                                       | \$ -                                     | \$ 6,800,000.00                 | \$ 2,927,000.00               | \$ 25,407,622.95                     | 5.1586%-5.9037%           | \$ -                                      | \$ 110,978.15                                 |
| Sep-07       | \$ -                                       | \$ -                                     | \$ 4,700,000.00                 | \$ 9,217,000.00               | \$ 20,890,622.95                     | 4.8340%-5.4719%           | \$ -                                      | \$ 107,594.65                                 |
| Oct-07       | \$ -                                       | \$ -                                     | \$ 13,600,000.00                | \$ 6,720,000.00               | \$ 27,770,622.95                     | 5.0403%-5.0973%           | \$ -                                      | \$ 105,130.15                                 |
| Nov-07       | \$ -                                       | \$ -                                     | \$ 1,500,000.00                 | \$ 6,456,400.00               | \$ 22,814,222.95                     | 4.8500%                   | \$ -                                      | \$ 102,205.92                                 |
| Dec-07       | \$ -                                       | \$ -                                     | \$ 6,300,000.00                 | \$ 3,257,000.00               | \$ 25,857,222.95                     | 5.2500%                   | \$ -                                      | \$ 117,891.65                                 |
| <b>TOTAL</b> | \$ -                                       | \$ -                                     | \$ 75,500,000.00                | \$ 72,399,400.00              |                                      |                           | \$ -                                      | \$ 1,282,783.75                               |

\*Outstanding month-end balances advanced to PacifiCorp are shown in parentheses.

#### **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, 2007 and the balance as of December 31, 2007.**

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

## **V. Other Transactions**

**A description of affiliated interest transactions other than services, loans or debt guarantees. Such transactions might include, among other things, asset transfers or equipment leases. State the annual charges or values used for assets and the basis used to determine pricing.**

PacifiCorp and its subsidiaries are party to a tax-sharing arrangement and remit federal and state income tax payments to their parent company, PPW Holdings LLC, a wholly owned subsidiary of MidAmerican Energy Holdings Company. At December 31, 2007, PPW Holdings LLC owed PacifiCorp and its subsidiaries \$22,530,290.20 under this arrangement.

At December 31, 2007, Pacific Minerals, Inc. owed PacifiCorp \$2,974,009.45 related to income taxes.

As of June 30, 2007, PacifiCorp owed Intermountain Geothermal Company \$976,225.00 related to income taxes.

## **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 Employee Transfers to Affiliates During the Year Ended December 31, 2007**

Executive, Management, and Professional/Technical Employees

| <b>Affiliate</b>           | <b>Job Title</b>             | <b>Count</b> |
|----------------------------|------------------------------|--------------|
| MidAmerican Energy Company | Pilot                        | 1            |
| MidAmerican Energy Company | President, PacifiCorp Energy | 1            |
| <b>Total</b>               |                              | <b>2</b>     |

# **Report of Employee Transfers from Affiliates During the Year Ended December 31, 2007**

Executive, Management, and Professional/Technical Employees

| Affiliate                           | Job Title             | Count |
|-------------------------------------|-----------------------|-------|
| CalEnergy Generation-Domestic       | Director              | 1     |
| CalEnergy Generation-Domestic       | Senior Vice President | 1     |
| MidAmerican Energy Company          | Consultant            | 1     |
| Kern River Gas Transmission Company | Consultant            | 1     |
| Total                               |                       | 4     |

## **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, 2007**

#### **Overview/Introduction**

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

On March 31, 2006, PacifiCorp entered into an Intercompany Administrative Services Agreement ("IASA") between MEHC and its subsidiaries. PacifiCorp is an indirect subsidiary of MEHC, 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.

#### **PacifiCorp's Non-Regulated Activities and Affiliates**

The following is a list of PacifiCorp's Non-Regulated Activities:

- During the year ended December 31, 2007, PacifiCorp allocated costs to only one non-regulated subsidiary: PacifiCorp Environmental Remediation Company ("PERCo"). Refer to section I.C. for a description of PERCo.
- During the year ended December 31, 2007, PacifiCorp was allocated costs by only one non-regulated affiliate: MEHC. Refer to section I.C. for a description of MEHC.

For PacifiCorp's affiliates and subsidiaries that meet the requirements of ORS 757.015:

- Refer to section I for a list of PacifiCorp's and MEHC's subsidiaries as of December 31, 2007.
- Refer to Exhibit 21.1 of the Berkshire Hathaway Inc. Form 10-K for a complete list of subsidiaries of MEHC's parent company, Berkshire Hathaway Inc., as of December 31, 2007.

#### **Allocation Methods**

##### **MEHC to subsidiaries**

In connection with the March 2006 acquisition of PacifiCorp by MEHC, MEHC committed to PacifiCorp's state regulatory commissions to limit the amount of management fees that PacifiCorp pays to MEHC in any given year to \$9,000,000.00.

For the year ended December 31, 2007, MEHC invoiced PacifiCorp a total of \$15,574,295.68 in management service fees. Pursuant to the commitment to state regulators MEHC and PacifiCorp mutually agreed that PacifiCorp's total liability to MEHC for management services provided for the

year ended December 31, 2007, was a total of \$9,000,000.00. Refer to the attached IASA schedule for description of types of services provided. These services are based on the following:

- MEHC used six different formulae for allocating \$1,700,845.01 of management costs to PacifiCorp during the year ended December 31, 2007. These formulae are as follows:
  - L01: a two factor formula based on the labor and assets of each of MEHC's subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2007 was 42.64%.
  - L01 excluding HomeServices of America, Inc.: the same two factor formula as L01, except excluding the labor and assets of HomeServices of America, Inc. PacifiCorp's allocation percentage during the year ended December 31, 2007 was 46.17%.
  - L03: the same two factor formula as L01, except excluding the labor and assets of MEHC's international subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2007 was 51.67%.
  - Plant: a formula based on the gross plant asset amounts of each of MEHC's subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2007 was 44.19%.
  - LR: a formula to allocate legislative and regulatory costs to each of MEHC's subsidiaries based on where the legislative and regulatory employees spent their time. PacifiCorp's allocation percentage during the year ended December 31, 2007 was 30% from January through September and 40% from October through December.
  - L05: a two factor formula based on the labor and assets of MEHC's domestic energy subsidiaries. PacifiCorp's allocation percentage during the year ended December 31, 2007 was 56.87%.
- In addition to the above allocated costs, PacifiCorp was apportioned \$7,299,154.99 in costs specifically identifiable to the management of PacifiCorp by MEHC. These charges were based on actual labor, benefits, and operational costs incurred.

During the year ended December 31, 2007, PacifiCorp charged MEHC \$1,785,619.77 and charged MEC \$372,169.45, primarily for engineering, regulatory, and financial services. These charges were based on actual labor, benefits, and operational costs incurred. Please see "Payroll Loadings and Overheads" below.

#### PacifiCorp to subsidiaries

Through June 30, 2007 PacifiCorp used two different formulae for allocating \$73,516.51 of costs to PERCo during the year ended December 31, 2007. After June 30, 2007 all costs were assigned on a fully loaded direct cost basis. These formulae are as follows:

- A formula based on PERCo's number of computer workstations as a percentage of total PacifiCorp workstations (0.19%) was used to allocate \$33,555.18 of information technology expenses to PERCo.
- A formula based upon the weighted average of PERCo's three factors (operating expenses, number of employees and assets) as a percentage of PacifiCorp's (0.10%) was used to allocate \$39,961.33 of general and administrative expenses to PERCo.

#### **Payroll Loadings and Overheads**

PacifiCorp includes the following types of charges in its labor rates charged to affiliates: salaries, pension, 401(k), medical benefits, payroll taxes, and other administrative and general overheads.

**Service Provider and Administrative Allocations**

Refer to the attached IASA schedule for list of services provided by MEHC under the IASA.

**Organization Chart**

Refer to Section I for the organization chart.

# **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 be limited to the following:

- a) personal 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 or any specific Exhibit hereto, 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: PJ Good  
Patrick J. Goodman  
Title: Sr. Vice President &  
Chief Financial Officer

**NNGC ACQUISITION, LLC**

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

**PPW HOLDINGS LLC**

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

**KR HOLDING, LLC**

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

**CE ELECTRIC UK FUNDING COMPANY**

By: PJ Good  
Patrick J. Goodman  
Title: Director

**CALENERGY INTERNATIONAL SERVICES, INC.**

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

**HOME SERVICES OF AMERICA, INC.**

By: Paul J. Leighton  
Paul J. Leighton  
Title: Asst. Secy

**CE CASECAN WATER AND ENERGY COMPANY, INC.**

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

**MIDAMERICAN FUNDING, LLC**

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