

MidAmerican Energy Holdings Company is focused on meeting the needs of its customers by providing safe, reliable, cost-effective energy today while preparing to meet the energy needs of the future. By expanding and renewing our infrastructure, diversifying our generation portfolio, operating safely and efficiently, and investing in environmentally responsible assets, we continue to deliver sustainable energy solutions and balanced outcomes for our customers.

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data | 2010

serving nearly

7 million

customers in

3 countries, including **31** states

more than

22,000

megawatts of owned and contracted generation capacity

renewable and noncarbon generation make up

25%

of total owned and contracted generation capacity

pipelines transport approximately

8%

of the natural gas consumed in the U.S.

generating power with

1,529

wind turbines in four states



Managing for the Future

At MidAmerican Energy Holdings Company, we know that excellence is in the details. Getting the details right requires a well-defined mission, clearly articulated values and a solid plan built on a long-term view, with measurable goals and accountabilities.

We focus on safety in every aspect of our operations. Our goal is that all our employees complete their work each day without incident or injury.

By building and operating our energy assets to achieve optimum efficiency, we deliver high levels of reliability and availability while providing cost-effective energy to our residential, commercial and industrial customers.

We focus on the fundamentals, and that translates into measurable success as the businesses meet customers' energy needs today while preparing to meet the energy needs of the future.

Customer Focus; Documented Success

Delivering best-in-class performance to meet our customers' energy needs is core to our mission. Each of our businesses has a robust customer satisfaction plan that guides the way we conduct our business and provide service to our customers.

Our businesses consistently earn high marks from customers across a range of customer satisfaction measures. We use these survey results to help us measure our current efforts and to ensure we focus appropriate resources on the things that matter most to our customers.

We empower our customers to be wise energy consumers. Our regulated U.S. utilities – MidAmerican Energy Company and PacifiCorp – deliver a broad range of energy efficiency programs to help customers reduce energy use and save money.

To help everyone stay safe, our U.S. utilities, CE Electric UK, Kern River Gas Transmission Company and Northern Natural Gas Company provide energy safety information to students and educators, contractors whose employees work around our facilities, and customers.

We support environmental stewardship, conservation, education, new technologies, and the development of renewable and noncarbon generation resources. We know that meeting our customers' expectations requires action today and planning for our energy future.



Energy Gateway

Energy Gateway is a multistate, multibillion-dollar transmission expansion program that will add approximately 2,000 miles to the company's high-voltage transmission network over the next several years and is part of PacifiCorp's commitment to reliable, safe and cost-effective electric service for its 1.7 million customers in six Western states.

While many in the West have talked about the need for transmission investment, PacifiCorp is uniquely equipped to bring plans to completion. The expertise from owning and operating more than 16,000 miles of legacy transmission is a key factor in our ability to get these lines built. As a result, Energy Gateway already has begun serving customers, in spite of both the recession and the complexity of planning, siting and building projects of this scale.

The Populus-to-Terminal segment – a 135-mile line between the Salt Lake City, Utah, airport and southeastern Idaho – was finished on schedule and on budget. Fully energized in November 2010, it provides service to customers and the region. At a cost of \$832 million, the Populus-to-Terminal segment represents the largest capital project in PacifiCorp's history to date.

In February 2011, PacifiCorp awarded a multiyear contract to construct the next major segment, the 100-mile Mona-to-Oquirrh project in Utah. Construction is scheduled to begin this summer, with an expected in-service date in summer 2013.

The remaining Energy Gateway segments will provide an estimated 1,000 construction-related jobs over a peak period of three to five years and the capability to integrate more than 3,000 megawatts of incremental resources, including renewables.

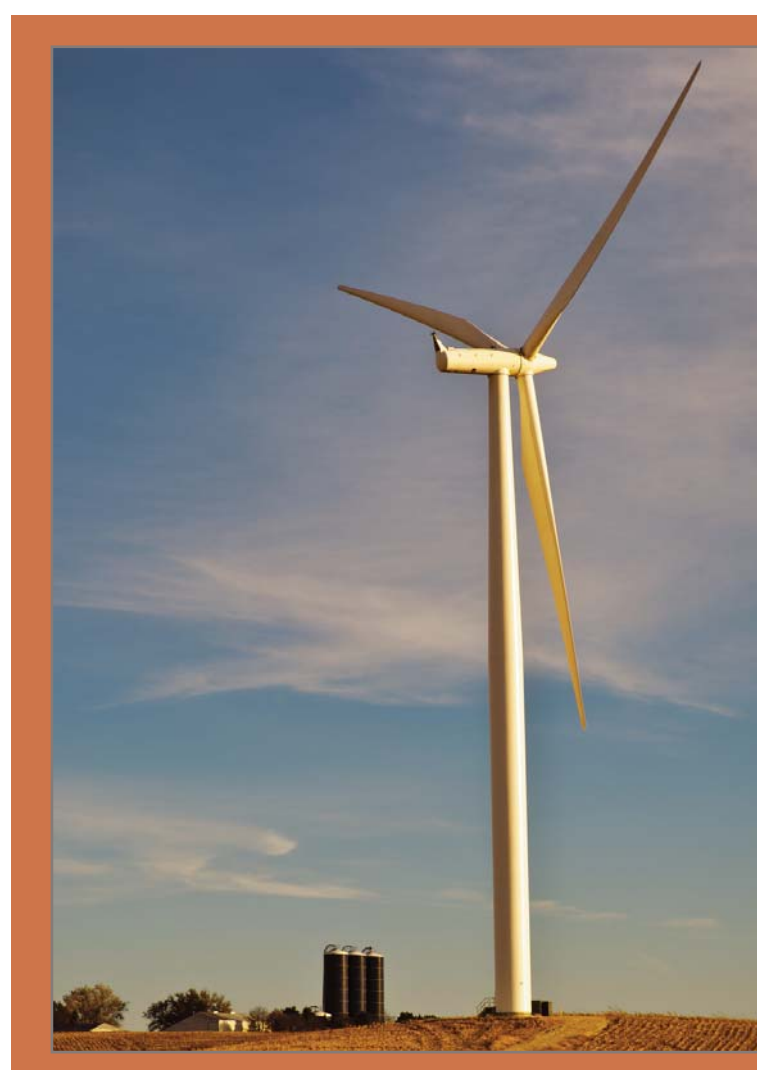
Building More Wind Generation in Iowa

In December 2010, MidAmerican Energy Company announced plans to add 593 megawatts of wind generation in Iowa by year-end 2011. MidAmerican Energy Company and Siemens Energy, Inc. entered into a turbine supply agreement for 258, 2.3-megawatt turbines. The turbines will be erected in six Iowa counties.

MidAmerican Energy Company also acquired the 120-megawatt Laurel Wind Project from RPM Access. This project will include 52 of the Siemens turbines.

Construction will begin this spring, and all projects are scheduled to be on-line by year-end 2011. When the projects are complete, MidAmerican Energy Company will own 1,091 wind turbines, with a total generating capacity of 1,877 megawatts.

MidAmerican Energy Company began building wind energy projects in 2004 and has made these investments without impacting customers' base electric rates, which have remained stable since 1995.



Blue Sky

PacifiCorp's Blue Sky program is one of the oldest programs of its kind in the U.S. The program offers customers a convenient way to support renewable energy development in the region and offset the impact of their electricity usage.



Participating customers pay the incremental costs of supporting additional renewable energy, plus the costs associated with offering the program.

In 2000, more than 2,700 Blue Sky customers supported nearly 2.4 million kilowatt-hours of renewable energy. At the end of 2010, more than 76,000 Blue Sky customers were investing in renewable energy, supporting more than 587 million kilowatt-hours.

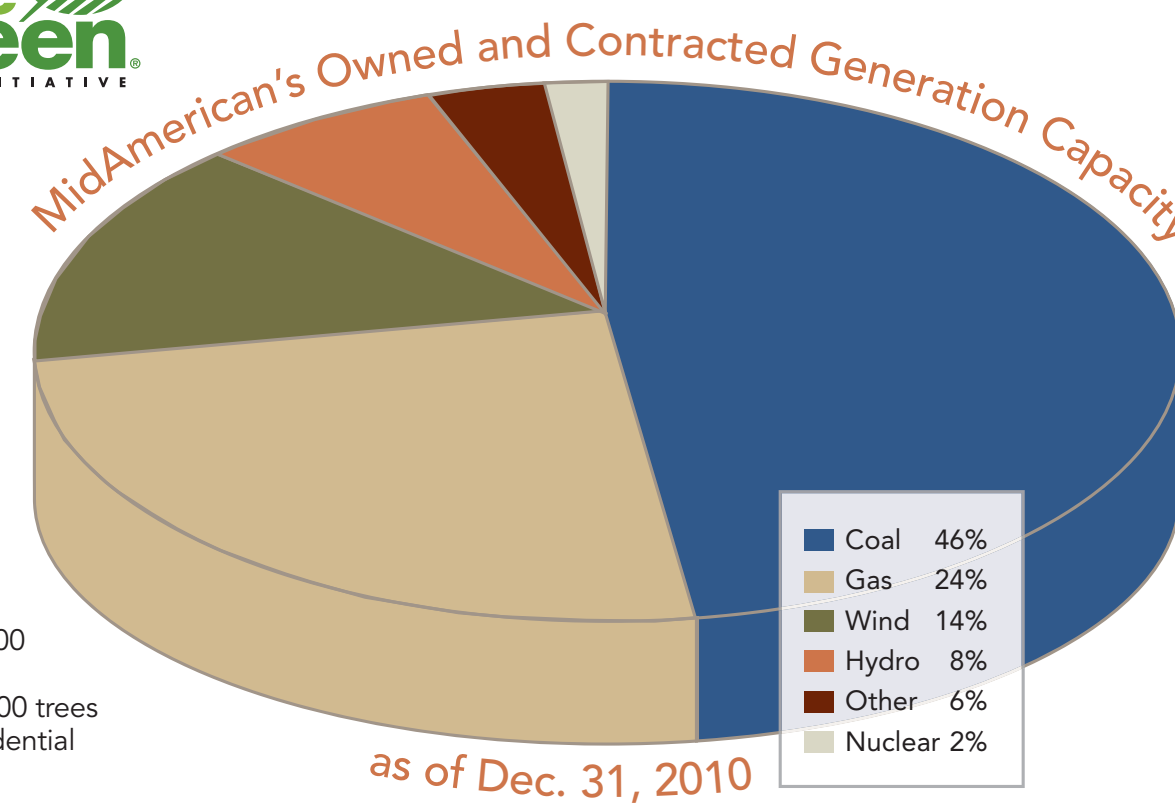
Save Some Green



MidAmerican Energy Company has helped customers conserve energy and save money on their energy bills since 1990. Since that time, the company's programs have:

- Benefited approximately 350,000 electric customers and 275,000 natural gas customers*
- Installed or rebated approximately 1.5 million compact fluorescent bulbs
- Audited approximately 117,000 existing homes
- Certified approximately 27,000 new homes
- Planted approximately 355,000 trees through community and residential tree-planting programs

* Some customers may have participated twice.



Black Rock Geothermal

Plans for three new geothermal plants capable of producing a total of 195 megawatts of renewable energy are under way in California's Imperial Valley.

In February, the California Energy Commission unanimously approved an amended application for certification of CalEnergy U.S.' Black Rock 1, 2 and 3 Geothermal Power Projects. Certification of the revised license was necessary in order to begin construction of the new geothermal power plants.

The projects will bring economic benefits to Imperial County, an area with one of the highest unemployment rates in California, including jobs in both construction and operations.

CalEnergy's 10 existing geothermal plants in the Imperial Valley generate a total of 327 megawatts, enough to power more than 330,000 homes.



Pipeline Expansions

The MidAmerican Energy Pipeline Group – Kern River Gas Transmission Company and Northern Natural Gas Company – continues to respond to customer needs with system expansions.

Apex Expansion Project

The Apex Expansion Project will increase Kern River's design capacity by 266 million cubic feet per day. The project includes 28 miles of 36-inch-diameter pipeline that will loop the existing mainline across the Wasatch Mountains in northern Utah. The expansion includes a new compressor station and modifications to existing compressor stations.

Construction began in late 2010, and when the project is placed in-service in late 2011, the Kern River system will be able to transport more than 2.16 billion cubic feet of natural gas per day.

Mountain Pass Lateral Project

In December 2010, Kern River filed an application with the Federal Energy Regulatory Commission for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act to construct and operate the Mountain Pass Lateral Project. The project includes an approximate 8.6-mile, 8-inch-diameter natural gas pipeline and will provide 24.3 million cubic feet per day of natural gas supply to MolyCorp Minerals LLC for use in power generation and steam production at its rare earth mine located in San Bernardino County, Calif. Kern River anticipates receiving a notice to proceed with construction in August 2011. The project is scheduled to be placed in-service in early 2012.

Northern Lights

Northern Natural Gas continues its Northern Lights Expansion Project. The company is authorized by the Federal Energy Regulatory Commission to construct and operate the new Elk River compressor station and to modify its existing Popple Creek and Pierz compressor stations, and Becker No. 1 and Stacy No. 1 town border stations. The facilities are scheduled to be in-service in November 2011. The peak incremental maximum daily quantity will be 11 million cubic feet per day in 2014.

CINGSA

MidAmerican joined forces with SEMCO ENERGY, Inc. to build, own and operate an underground natural gas storage facility in Southcentral Alaska that will provide urgently needed gas storage to meet the long-term energy needs of gas and electric utility customers throughout Southcentral Alaska.

Cook Inlet Natural Gas Storage Alaska, LLC – known as CINGSA – will utilize a depleted natural gas reservoir in the Cook Inlet region of Alaska's Kenai Peninsula. The facility will contain 7 billion cubic feet of base gas and 11 billion cubic feet of working gas, with the ability to deliver up to 150 million cubic feet of gas per day. The storage facility's design includes compression, five injection/withdrawal wells and associated piping.

The storage facility is expected to be in-service by summer 2012, to allow gas injections in summer 2012 and withdrawals during winter 2012-2013. The capacity has been committed to four utilities that together serve an estimated 415,000 end-users.

Environmental Stewardship in Action

CalEnergy Philippines owns and operates a power plant on the island of Luzon. The Casecnan Multipurpose Irrigation and Power Project is a combined hydroelectric and irrigation facility that diverts excess water from the Casecnan and Taan rivers through a 16-mile tunnel to a 150-megawatt generating plant. The water is then used to irrigate nearly 137,000 hectares of rice fields in central Luzon.

In 2010, CalEnergy Philippines completed a six-year pilot reforestation program. Forest fires had caused many trees to be lost in the Philippines; however, the goal of rehabilitating more than 3,500 hectares of the lower portion of the Casecnan watershed was exceeded, with 3,622 hectares reforested.

CalEnergy Philippines also provides assistance to local Philippine governments and communities through its corporate social responsibility programs and supports educational opportunities, environmental stewardship and infrastructure development.

MidAmerican Energy Company and PacifiCorp are **No. 1 and 2**, respectively, in the U.S. in ownership of wind-powered generation among rate-regulated utilities.

As of Dec. 31, 2010, nearly **20%** of MidAmerican Energy Company's total owned and contracted generation capacity and approximately

12% of PacifiCorp's total owned and contracted generation capacity was powered by wind. When MidAmerican Energy Company's 593-megawatt expansion is complete, approximately

26% of its total owned and contracted generation capacity will come from wind.