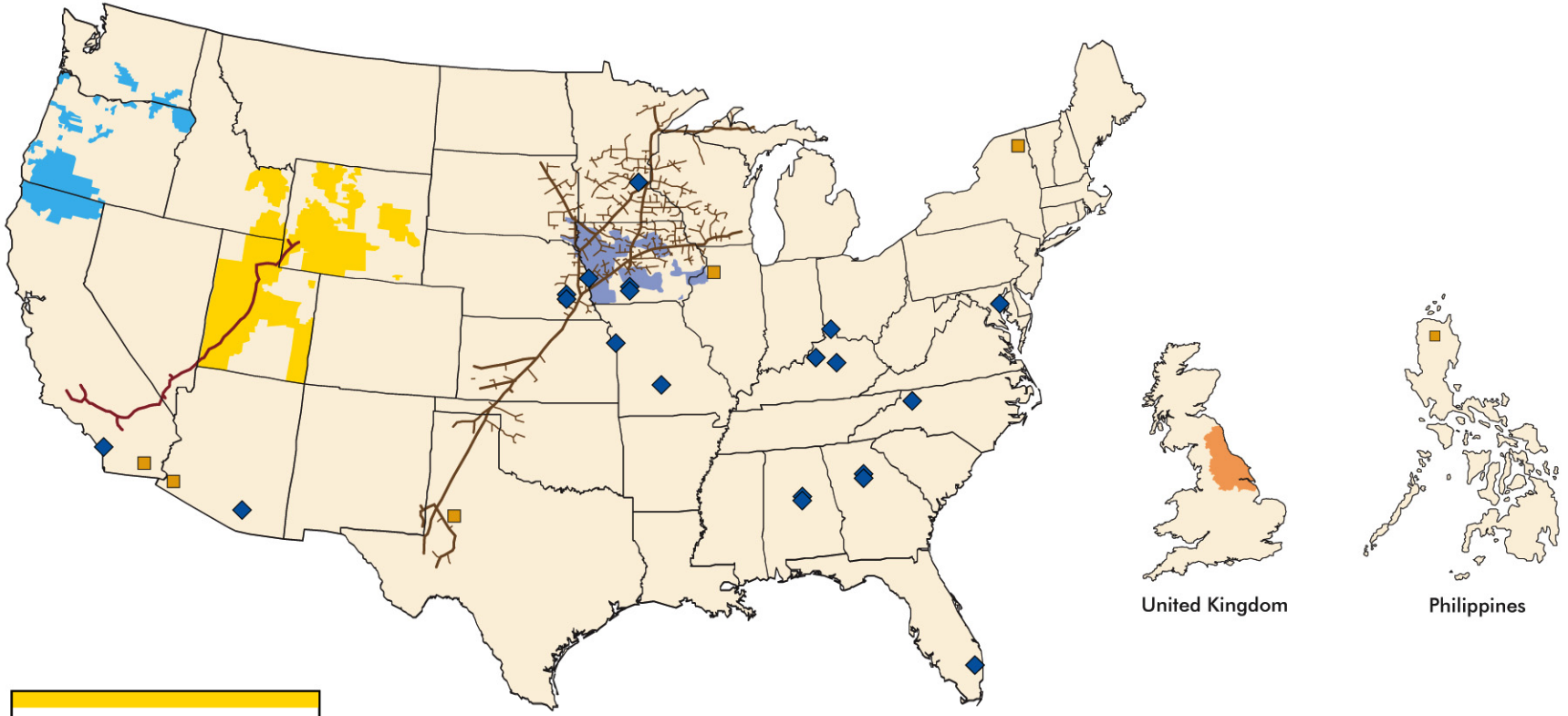
# California Energy Commission
# June 4, 2009 Workshop

Greg Snow
Kern River Gas Transmission Company

# MidAmerican Energy Holdings Company




PACIFICORP

PACIFIC POWER
Service Territory

ROCKY MOUNTAIN POWER
Service Territory

PACIFICORP ENERGY

Northern Natural Gas
Pipeline

Kern River GAS TRANSMISSION COMPANY
Pipeline

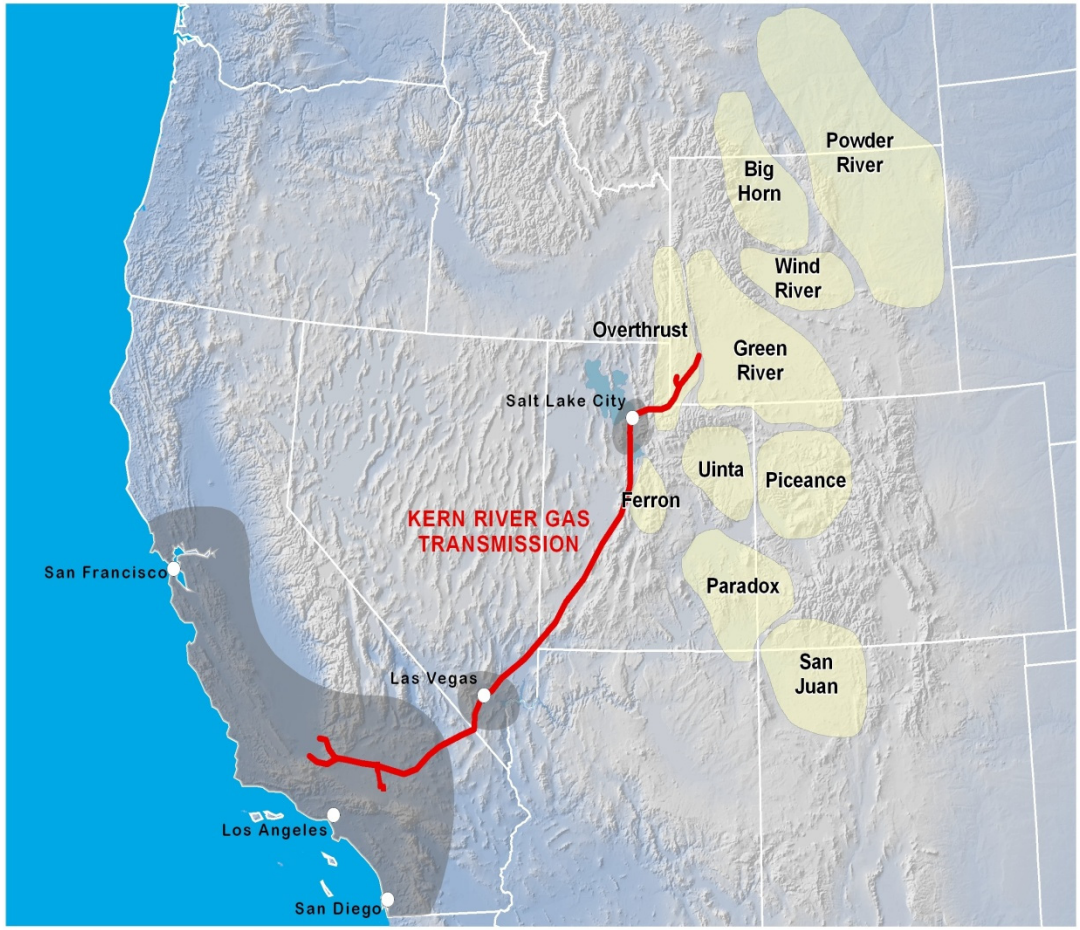
MidAmerican ENERGY
Service Territory

HomeServices of America, INC.
A Berkshire Hathaway Affiliate
Operating Companies

CE Electric UK
Service Territory

CALENERGY
Generation

# Kern River Overview



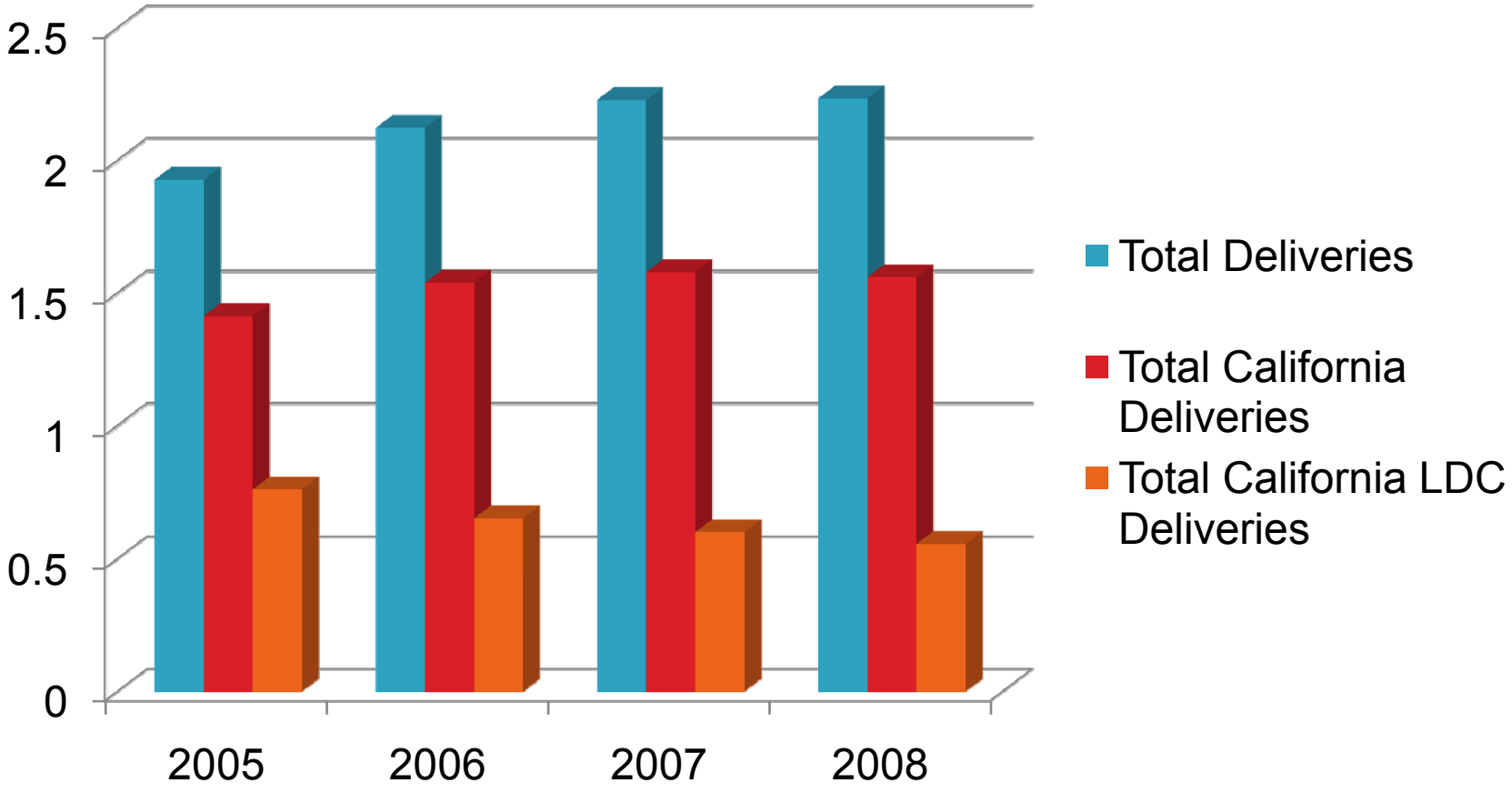

- Based in Salt Lake City
- 1,680 miles of 36-inch and 42-inch pipe
- 1.76 Bcf/d design capacity
- 11 compressor stations
- Meter stations: 25 receipt and 67 delivery
- Access to Rocky Mountain basins
- Markets in Utah, Nevada, California and Arizona

# 2008 Operational Overview

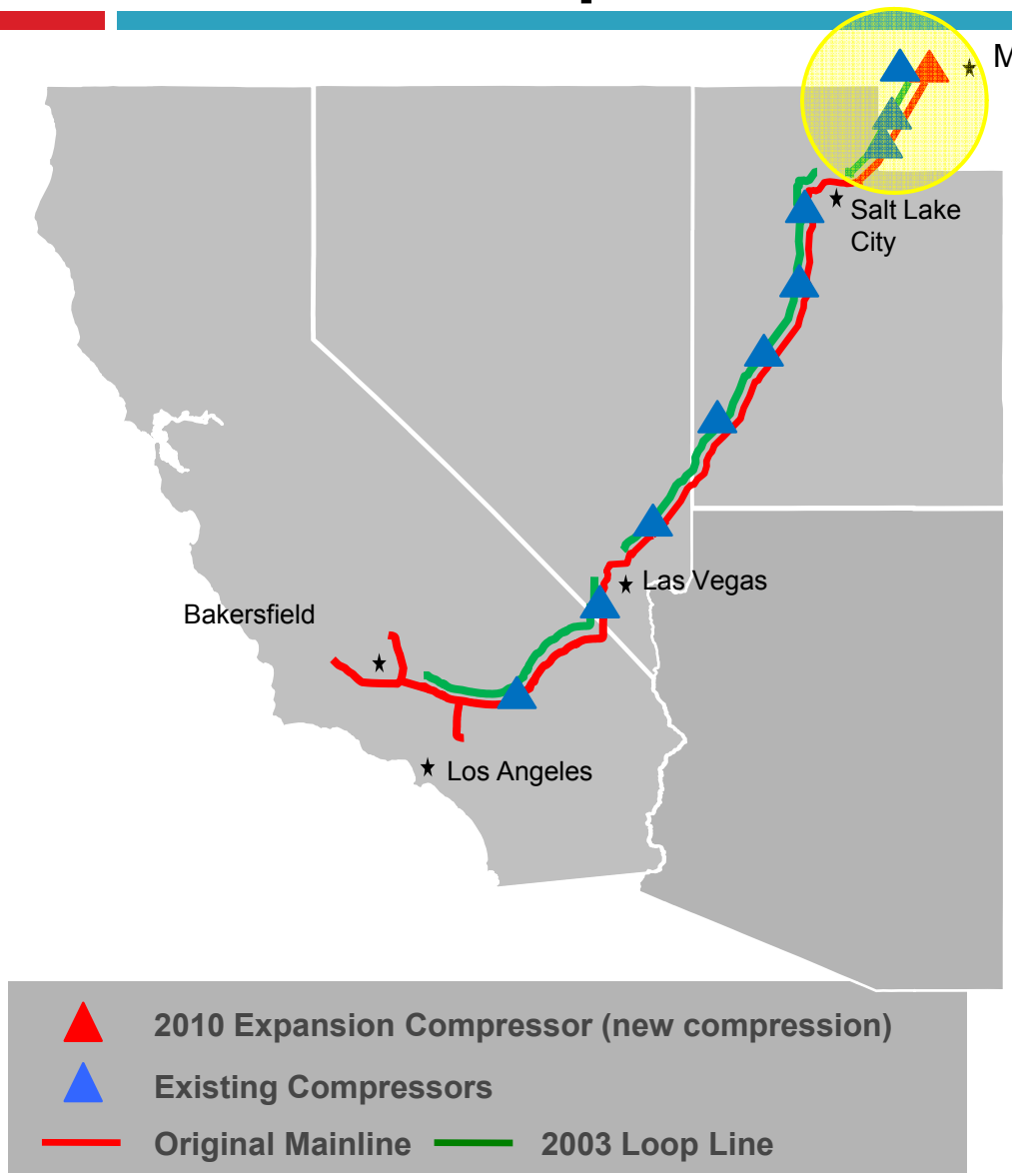
- Average 2008 throughput was 2.19 Bcf/d
- 2008 load factor was 124% of design capacity
- Ranked #1 in growth over last five years of 28 major interstate pipelines (1)
- Ranked #1 in operational efficiency of 28 major interstate pipelines (1)
- Ranked 1st out of 41 interstate pipelines in 2009 Mastio & Company pipeline survey for customer satisfaction

(1) Fosters Financial Reports

# System Deliveries (MDth)

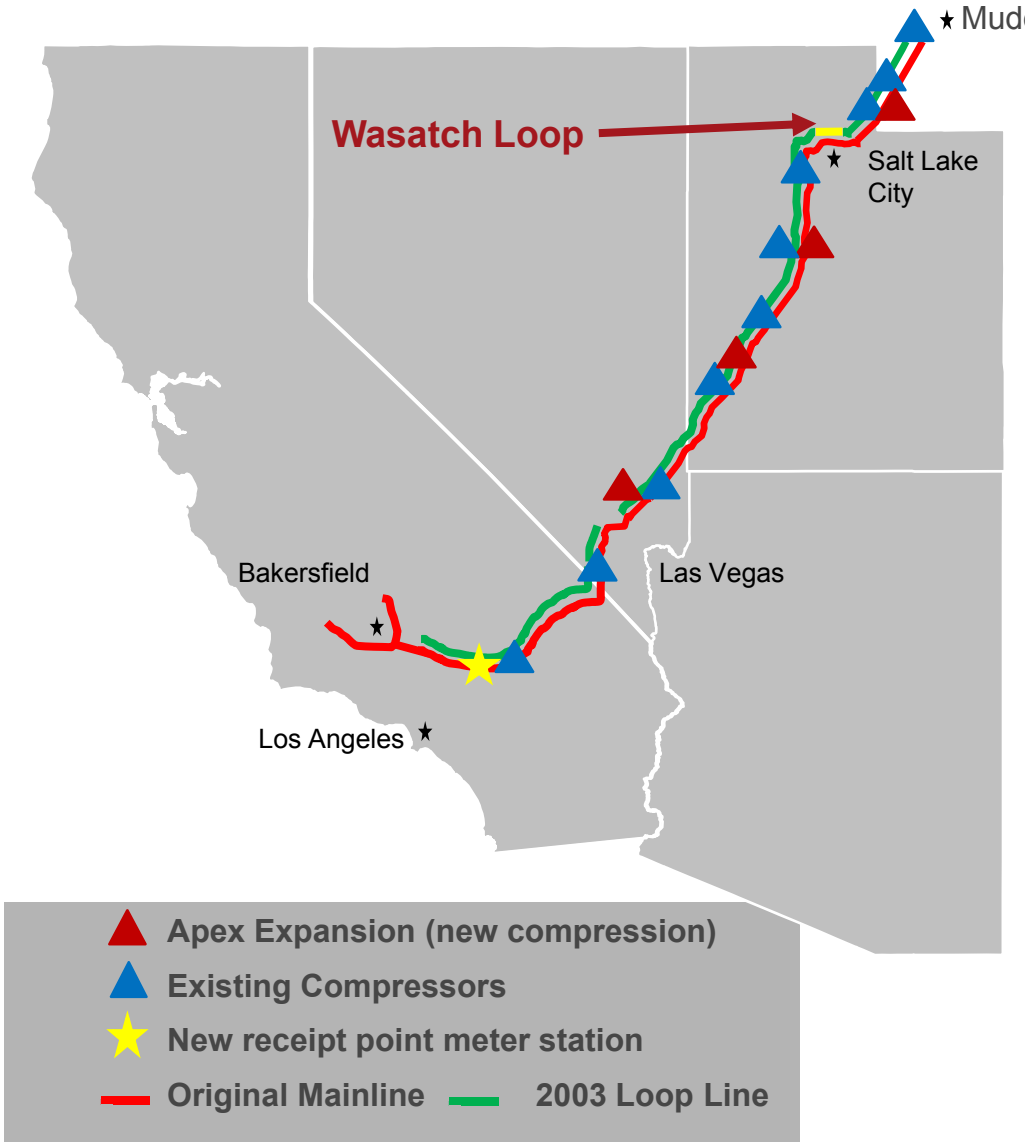


# 2010 Expansion Project




- Economically expand by 145 MDth/d
  - Signed precedent agreements with 11 shippers
- Service to Southern California and Las Vegas
- $62m capital cost
- Add 20,500 HP of incremental compression
- Increase maximum allowable operating pressure from 1,200 psig to 1,333 psig
- Submitted FERC application June 2008
- Anticipate FERC certificate approval by June 2009
- In-service: December 2009

# Apex Expansion Project




**Mainline Expansion**

- Economically expand by 266 MDth/d
  - 20-year term contract
- Service to Las Vegas
- $373m capital cost
- Close Wasatch Loop with 28 miles of 36-inch pipe
- Add 78,000 HP of new compression at four locations
- Submit application to FERC by December 2009
- Anticipate FERC certificate approval by December 2010
- In-service: November 1, 2011

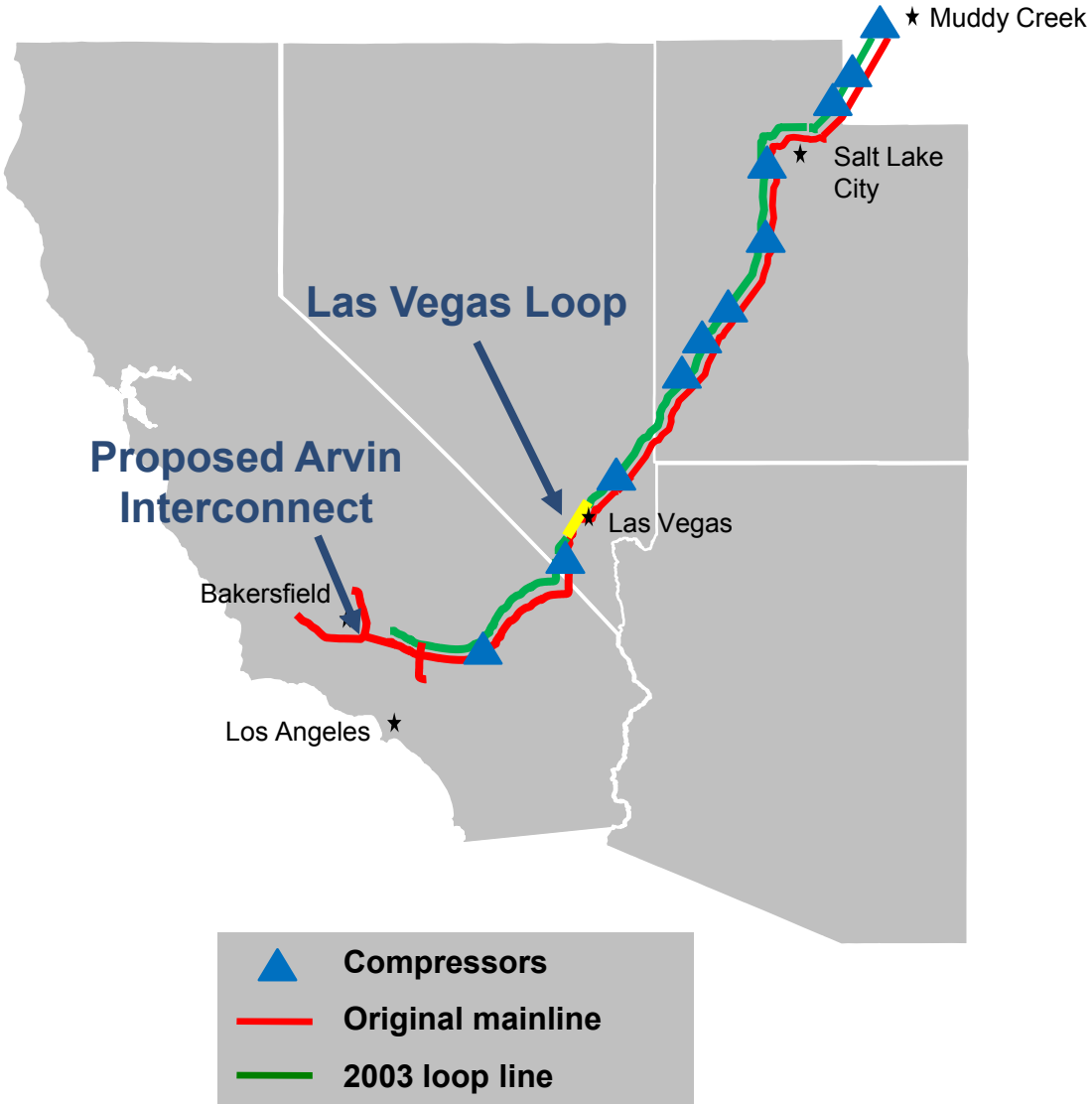
**Backhaul Capacity Contract**

- New ability to receive 400 MDth/d of firm backhaul
- In-service: April 1, 2009

# Mainline System History

| | |
|---|---|
| Original system capacity (1992) | 724,449 Dth/d |
| 2002 Expansion Project added | 124,500 Dth/d |
| 2003 Expansion Project added | 906,626 Dth/d |
| **Total system capacity in 2008** | **1,755,575 Dth/d** |
| 2010 Expansion Project will add | 145,000 Dth/d |
| **Total system capacity in 2010** | **1,900,575 Dth/d** |
| Apex Expansion Project will add | 266,000 Dth/d |
| **Total system capacity in 2011** | **2,166,575 Dth/d** |

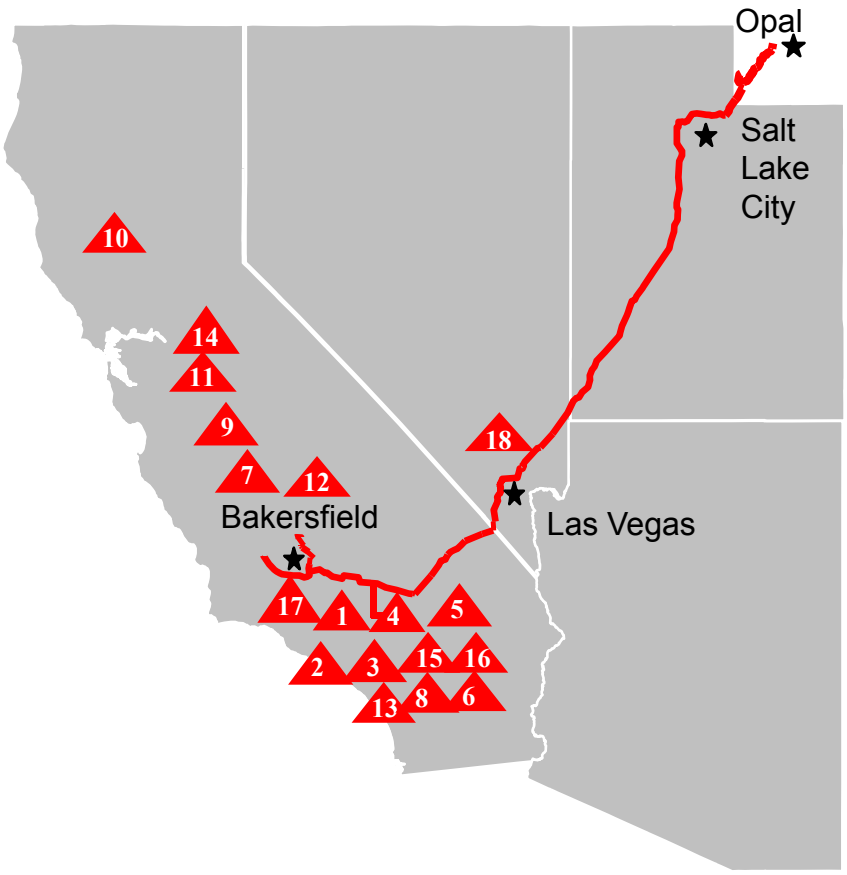
# 2013 Proposed Expansion Project




- Close Las Vegas loop
- Incremental compression
- Anticipated design
  - Wyoming and Utah Receipt Points
  - 200,000 Dth/d to Arvin
  - Up to 100,000 Dth/d to other upstream delivery points
  - 76 miles, 36-inch pipe
  - 70,000 horsepower
- $0.65 - $0.75 rate

# The Fuel of Choice

## Proposed Natural Gas-Fired Power Plants

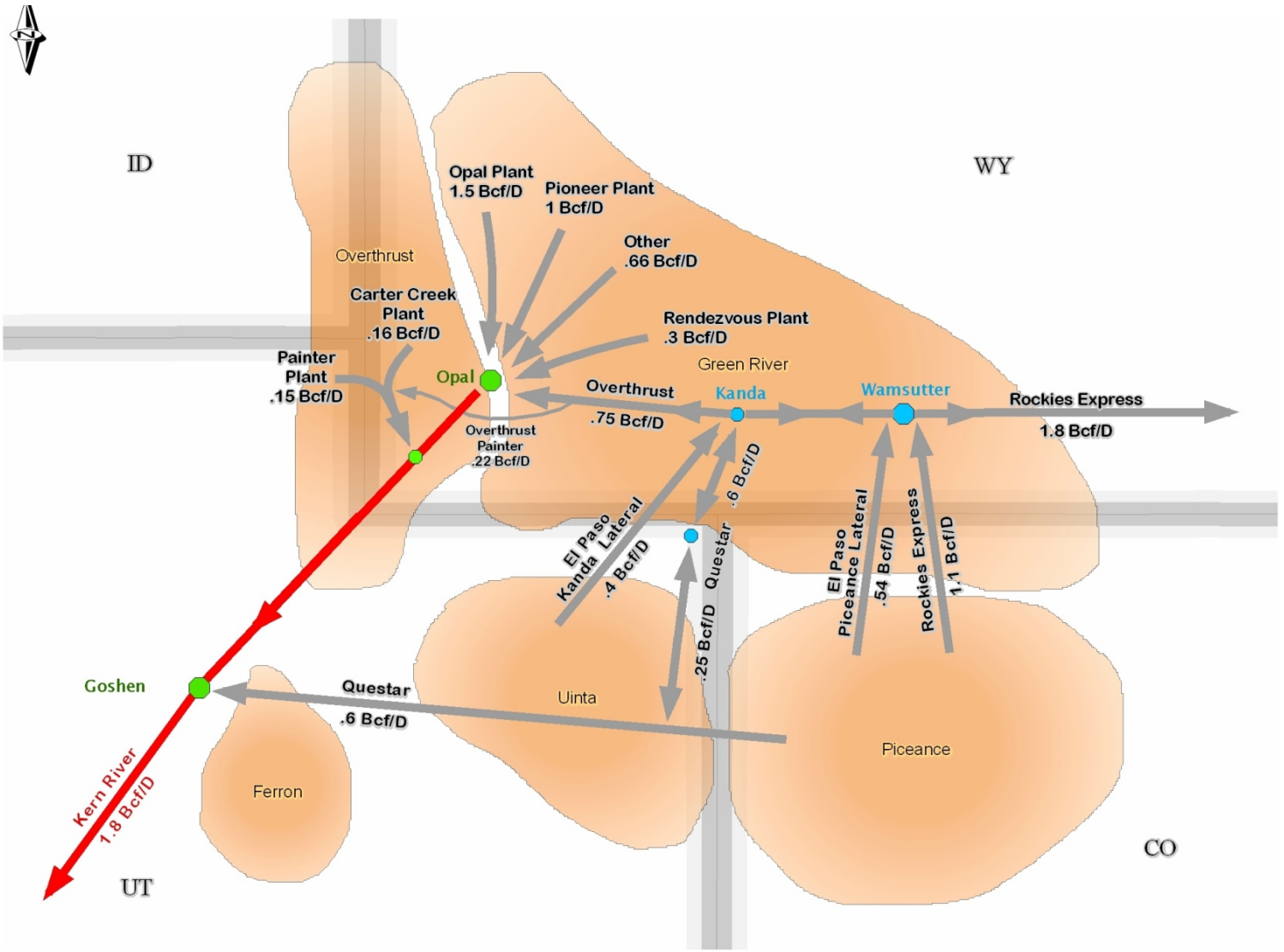



*Source: California Energy Commission*

**PROPOSED POWER PLANTS**

| | PROJECT | SPONSOR | MW |
|---|---|---|---|
| 1 | Palmdale | City of Palmdale | 500 |
| 2 | Walnut Creek | Edison Mission | 500 |
| 3 | S.E. Regional | City of Vernon | 943 |
| 4 | Victorville Hybrid | City of Victorville | 550 |
| 5 | Highgrove | AES | 300 |
| 6 | Sun Valley | Edison Mission | 500 |
| 7 | Avenal | Avenal Power | 600 |
| 8 | Inland Empire | G.E. & Calpine | 800 |
| 9 | Panoche | EIF | 400 |
| 10 | Colusa | E&L (PG&E) | 660 |
| 11 | Willow Pass | Mirant | 550 |
| 12 | Starwood | Starwood Power | 120 |
| 13 | Canyon Power | SCPPA | 200 |
| 14 | Gateway | PG&E | 530 |
| 15 | San Gabriel | Reliant | 650 |
| 16 | Sentinel | CPV/SCE | 850 |
| 17 | Pastoria Exp. | Calpine | 160 |
| 18 | Harry Allen Exp. | Nevada Power | 500 |
| | | TOTAL MW | 9,313 |

# Supply Area Infrastructure



# System Accessibility

- Receipt point capacity is 6.57 Bcf/d
  - 3.7x system design capacity
  - 2.9 Bcf/d of new receipt point capacity added since 2003 Expansion
- Delivery point capacity is 7.53 Bcf/d
  - 4x system design capacity
  - 1.5 Bcf/d of new delivery point capacity added since 2003 Expansion