

Built To Last



2008 EEI Financial Conference
Patrick J. Goodman – Senior Vice President and CFO



Forward-Looking Statements

This report contains statements that do not directly or exclusively relate to historical facts. These statements are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can typically be identified by the use of forward-looking words, such as “may,” “could,” “project,” “believe,” “anticipate,” “expect,” “estimate,” “continue,” “intend,” “potential,” “plan,” “forecast,” and similar terms. These statements are based upon MidAmerican’s current intentions, assumptions, expectations and beliefs and are subject to risks, uncertainties and other important factors. Many of these factors are outside MidAmerican’s control and could cause actual results to differ materially from those expressed or implied by MidAmerican’s forward-looking statements. These factors include, among others:

- general economic, political and business conditions in the jurisdictions in which MidAmerican’s facilities are located;
- changes in governmental, legislative or regulatory requirements affecting MidAmerican or the electric or gas utility, pipeline or power generation industries;
- changes in, and compliance with, environmental laws, regulations, decisions and policies that could increase operating and capital improvement costs, reduce plant output and delay plant construction;
- the outcome of general rate cases and other proceedings conducted by regulatory commissions or other governmental and legal bodies;
- changes in economic, industry or weather conditions, as well as demographic trends, that could affect customer growth and usage or supply of electricity and gas or MidAmerican’s ability to obtain long-term contracts with customers;
- changes in the residential real estate brokerage and mortgage industries that could affect brokerage transaction levels;
- changes in prices and availability for both purchases and sales of wholesale electricity, coal, natural gas, other fuel sources and fuel transportation that could have a significant impact on generation capacity and energy costs;
- the financial condition and creditworthiness of MidAmerican’s significant customers and suppliers;
- changes in business strategy or development plans;

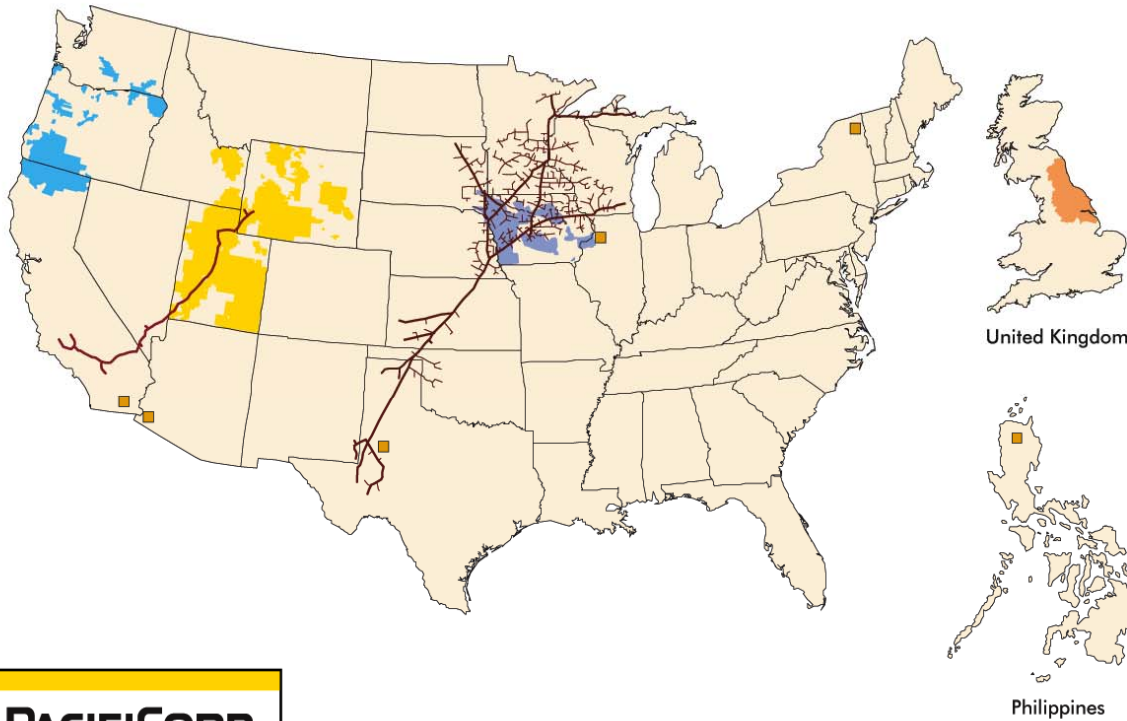
Forward-Looking Statements

- availability, terms and deployment of capital, including severe reductions in demand for investment-grade commercial paper, debt securities and other sources of debt financing and volatility in the London Interbank Offered Rate, the base interest rate for MidAmerican and its subsidiaries' credit facilities;
- performance of MidAmerican's generation facilities, including unscheduled outages or repairs;
- risks relating to nuclear generation;
- the impact of derivative instruments used to mitigate or manage volume and price risk and interest rate risk and changes in the commodity prices, interest rates and other conditions that affect the value of the derivatives;
- the impact of increases in healthcare costs, changes in interest rates, mortality, morbidity and investment performance on pension and other postretirement benefits expense, as well as the impact of changes in legislation on funding requirements;
- changes in MidAmerican's and its subsidiaries' credit ratings;
- unanticipated construction delays, changes in costs, receipt of required permits and authorizations, ability to fund capital projects and other factors that could affect future generation plants and infrastructure additions;
- the impact of new accounting pronouncements or changes in current accounting estimates and assumptions on financial results;
- the ability to obtain governmental and shareholder approvals for the acquisition of Constellation Energy or to satisfy other conditions to the acquisition on the terms and expected time-frame or at all;
- MidAmerican's ability to successfully integrate future acquired operations into its business;
- other risks or unforeseen events, including litigation and wars, the effects of terrorism, embargos and other catastrophic events; and
- other business or investment considerations that may be disclosed from time to time in MidAmerican's filings with the United States Securities and Exchange Commission or in other publicly disseminated written documents.

MidAmerican undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors should not be construed as exclusive.

MidAmerican Energy Holdings Company

Energy Assets



- 7 million electric and natural gas customers worldwide
- 16,800 miles of interstate natural gas pipeline with approximately 6.9 bcf capacity
- 17,854 megawatts of owned generation
- 23.0 percent of generation capacity is renewable or noncarbon

PACIFICORP

PACIFIC POWER
Pacific Power Service Territory

ROCKY MOUNTAIN POWER
Rocky Mountain Power Service Territory

PACIFICORP ENERGY

Northern Natural Gas
Northern Natural Gas Pipeline

Kern River
GAS TRANSMISSION COMPANY
Kern River Gas Transmission Pipeline

CE Electric UK
CE Electric UK Service Territory

CALENERGY
Generation Operations

MidAmerican ENERGY
MidAmerican Energy Company Service Territory

- Own and operate high-quality, asset-based businesses
- Focus on balanced outcomes that deliver long-term sustainability
- Identify internal growth opportunities and acquisitions
- Operate to six business principles
 - Customer Service, Employee Commitment, Regulatory Integrity, Environmental Respect, Operational Excellence, Financial Strength

Berkshire Equity Commitment

- Berkshire provides MEHC with a \$3.5 billion equity commitment from ‘AAA’ rated parent
 - Access to capital even in times of utility sector and general market stress;
No other utility has this quality of explicit financial support
 - Commitment can only be drawn for two purposes:
 - Paying MEHC parent debt when due
 - Funding the general corporate purposes and capital requirements of MEHC’s regulated subsidiaries
- Future M&A activity will be funded separate from this equity commitment

MEHC’s diversity coupled with its 100% reinvestment of free cash flow and access to equity capital from Berkshire under any market condition clearly differentiates the quality of MEHC’s credit from its peers

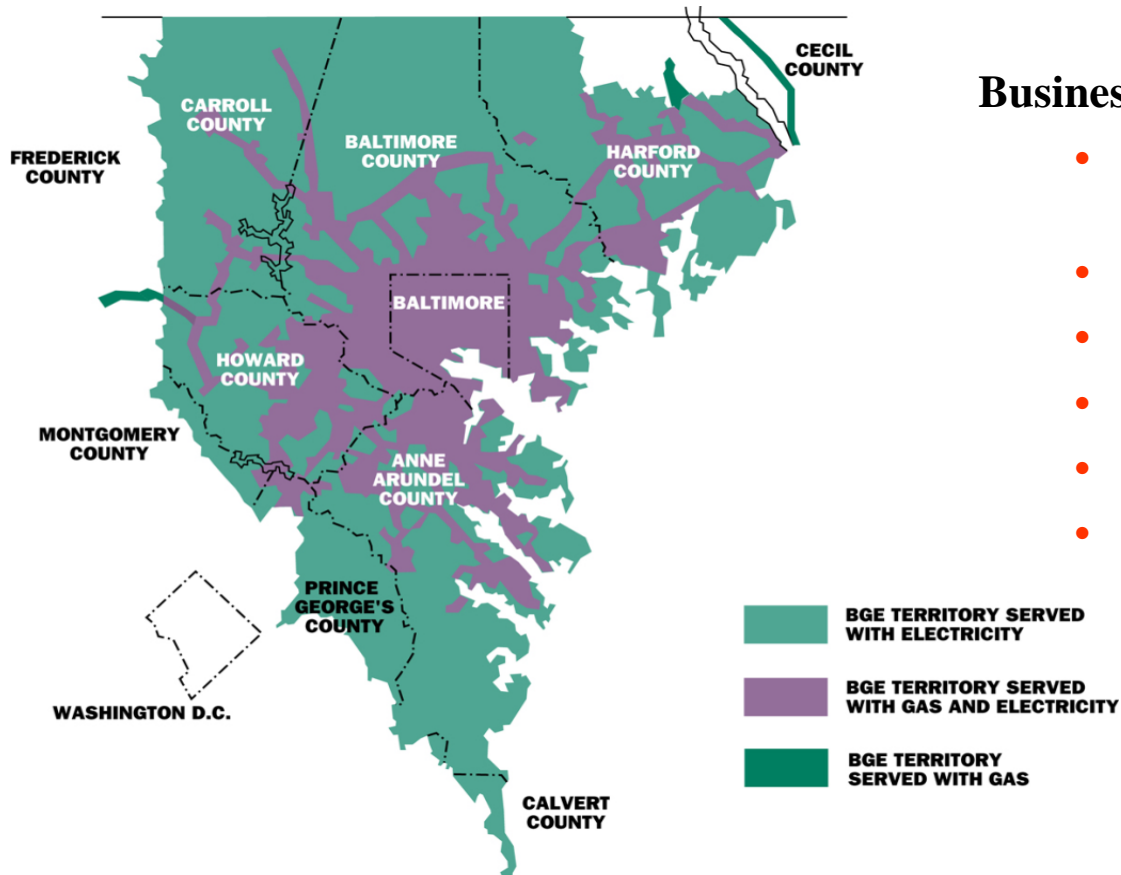
Constellation Energy Group Transaction



- **MidAmerican funds already committed**
 - At the time of signing the merger agreement, MidAmerican issued \$1 billion of 11% Trust Preferred securities to Berkshire
 - Proceeds of the issuance were used to purchase \$1 billion of Constellation Energy's 8% Series A Convertible Preferred stock
 - Entered an agreement which allows Constellation to sell to MidAmerican certain generating assets at predetermined prices for up to \$350 million of cash
- **Transaction funding at closing**
 - MidAmerican will finance the \$4.7 billion transaction through the issuance of:
 - Approximately \$2.7 billion of its common stock to Berkshire and potentially to its other existing shareholders
 - \$2.0 billion in 11% Trust Preferred securities to Berkshire
- **Anticipate closing in second quarter of 2009**
 - Shareholder and regulatory approvals required
- **Constellation will be wholly-owned by MEHC**
 - BGE will be ring-fenced

Baltimore Gas & Electric

Service Area – Central Maryland

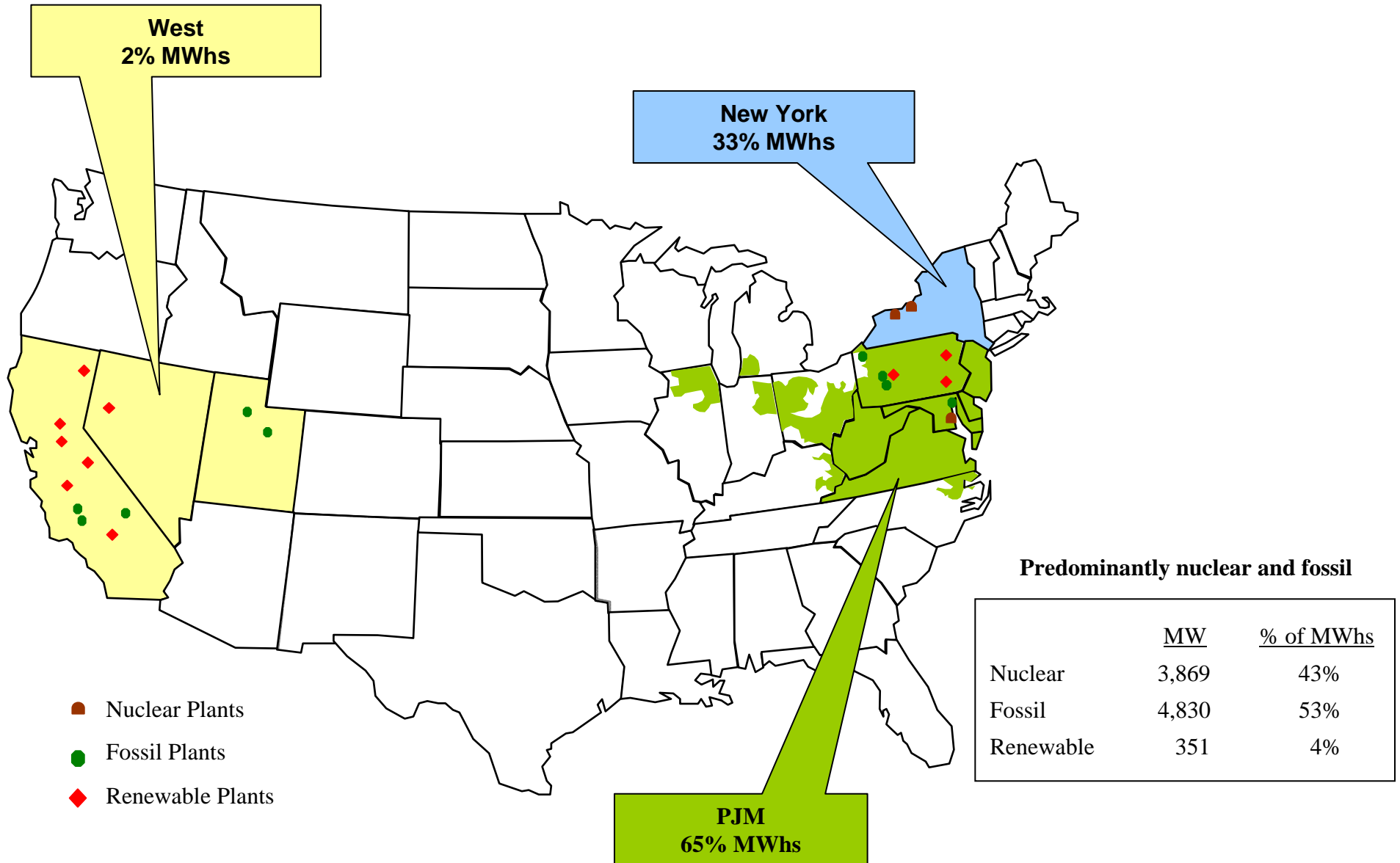


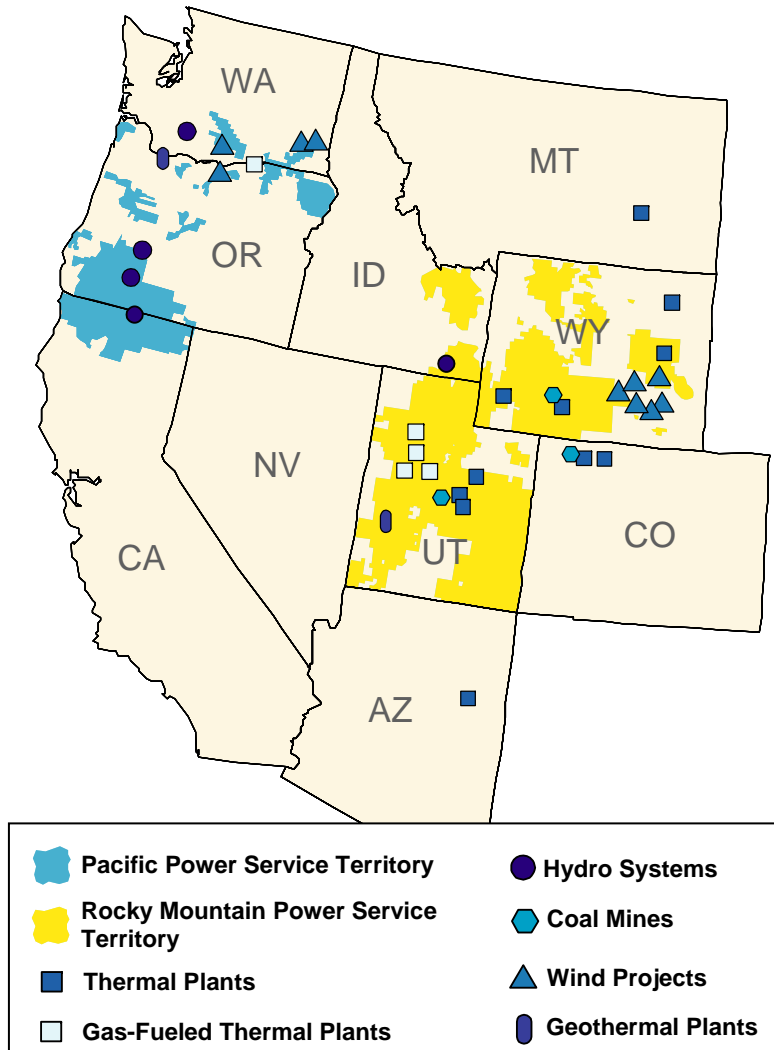
Business Overview

- Electric & gas distribution regulated by Maryland PSC
- Headquartered in Baltimore
- 1.2 million electric customers
- 0.6 million gas customers
- \$5.8B total assets
- \$1.7B common shareholder's equity

Data as of 12/31/2007

Constellation Energy Generation Fleet



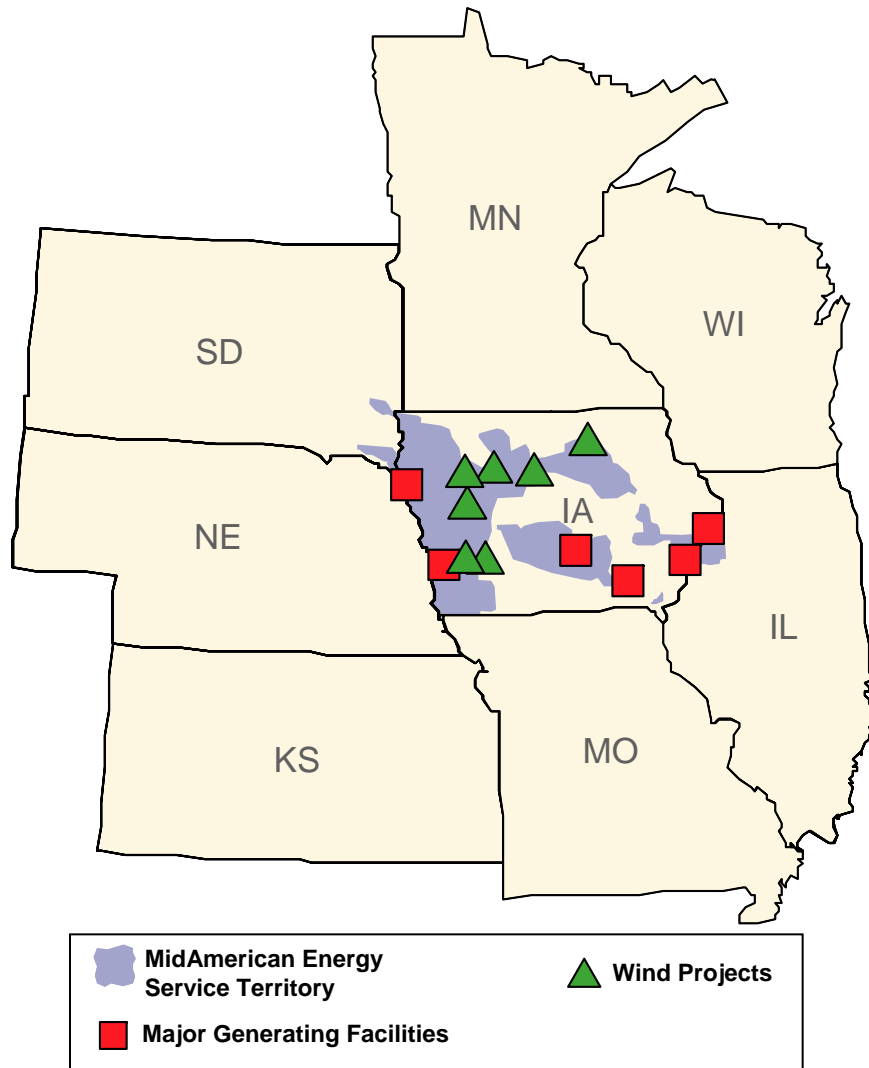


Business Overview

- 1.7 million customers in six western states
- 10,425 megawatts of owned generation capacity
- 15,700 miles of transmission lines

Major Accomplishments

- Rate case settlements
- Since acquisition by MEHC, projected to have added 760.6 MW of renewable wind generation by year-end 2008
- Chehalis 520 MW natural gas-fired generation plant acquired in September 2008
- Executed an EPC agreement to build the first segment of the Gateway Transmission Expansion Project



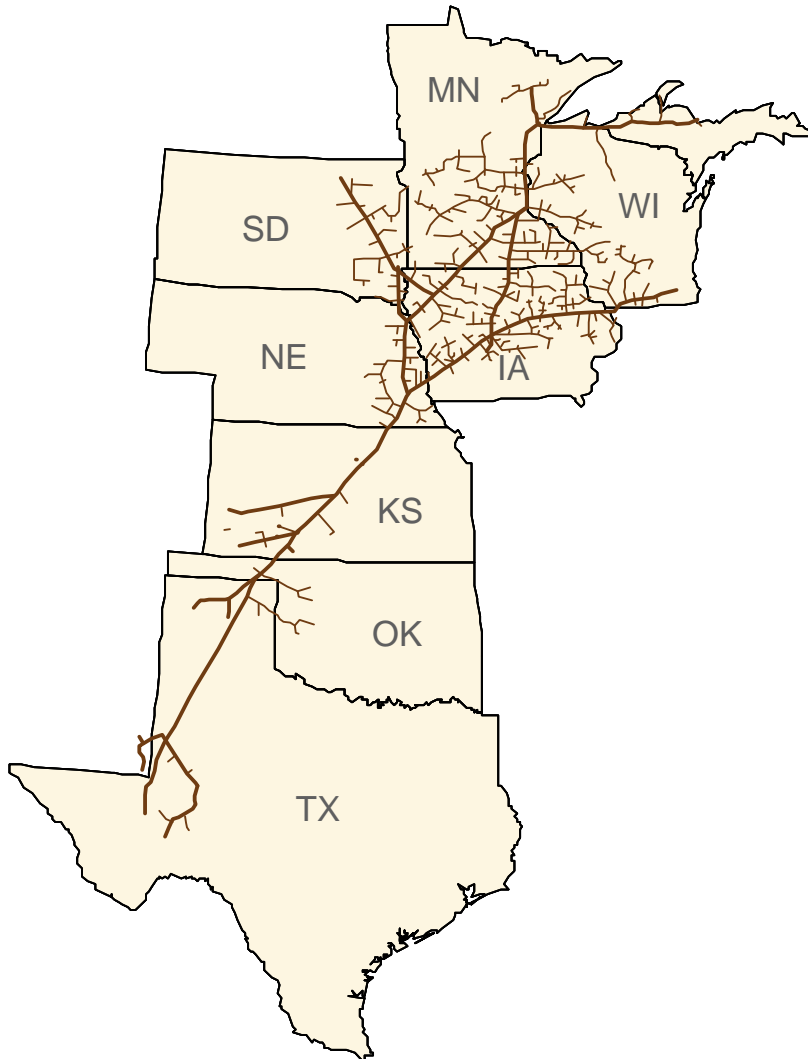
Business Overview

- 1.4 million customers in four Midwestern states
- 6,367 megawatts of owned generation capacity
- 2,180 miles of transmission lines

Major Accomplishments

- Projected to have 1,284 MW of renewable wind generation by year-end 2008 (623 MW placed in service in 2008)

Northern Natural Gas



Business Overview

- 15,100 miles of natural gas pipeline
- 5.1 million decatherms per day of market area design capacity, plus 2.0 million decatherms per day field area capacity

Major Accomplishments

- Northern Lights Project – growth in market-area transportation business:

2007	400,000 Dth/d
2008	88,000 Dth/d
- 8 bcf Redfield gas storage expansion is available for the 2008 injection season and final completion will occur by year-end 2008

Kern River

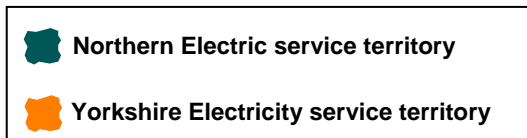
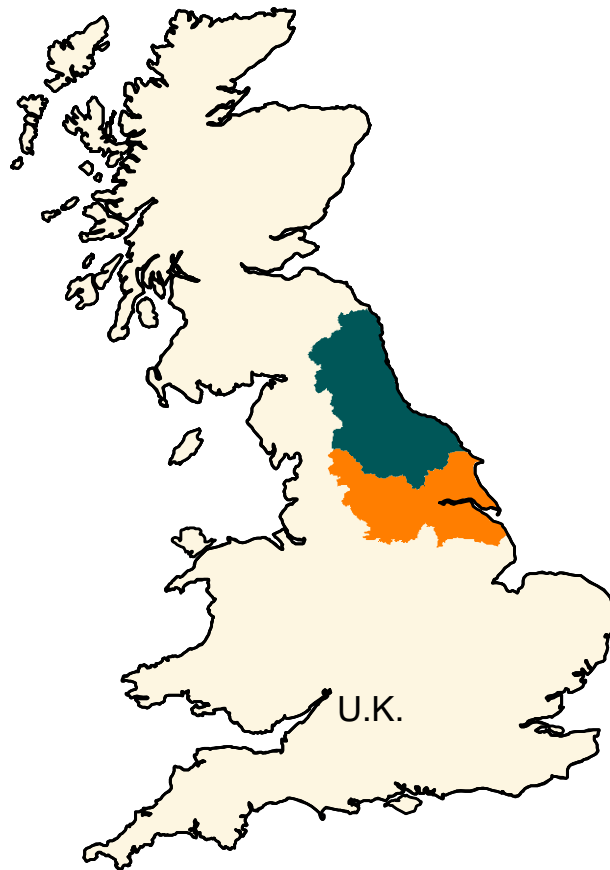


Business Overview

- 1,680 miles of natural gas pipeline
- 1.7 million decatherms per day of natural gas to markets in Utah, Nevada, California and Arizona

Major Accomplishments

- Rate case settlement filed, subject to FERC approval
- Successfully completed 2010 Expansion open season for 145,000 Dth/day, subject to FERC approval
- Successfully completed Apex Expansion open season for 266,000 Dth/day, subject to FERC approval



Business Overview

- 3.8 million customers in northeast England
- 58,000 miles of distribution lines

Accomplishments

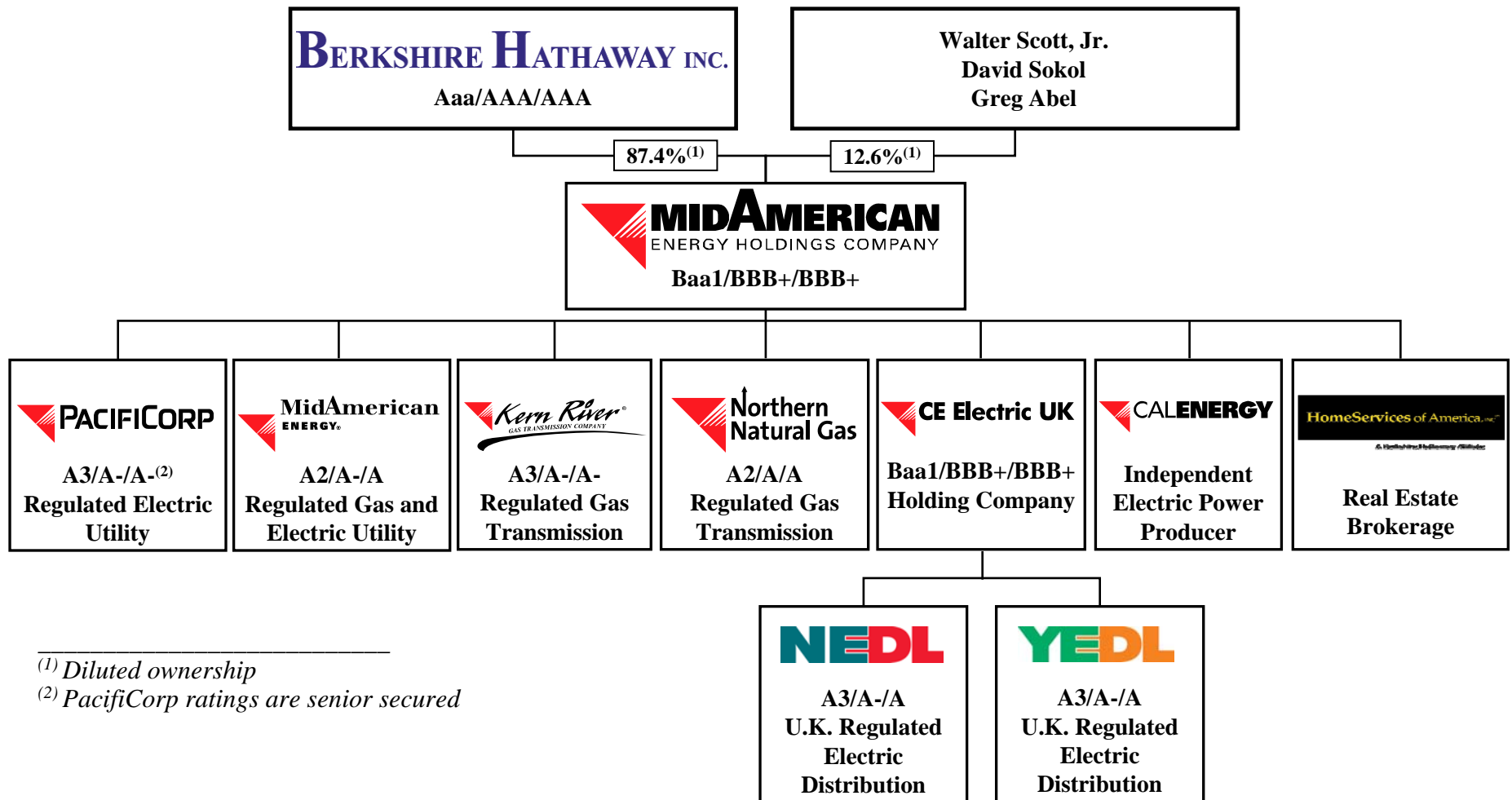
- Preparing for 2010 distribution price review outcome
- Standard & Poor's upgrade in August 2008

NEDL and YEDL	A-
CE UK Funding Co.	BBB+



Financial Results

Organizational Structure



(1) Diluted ownership

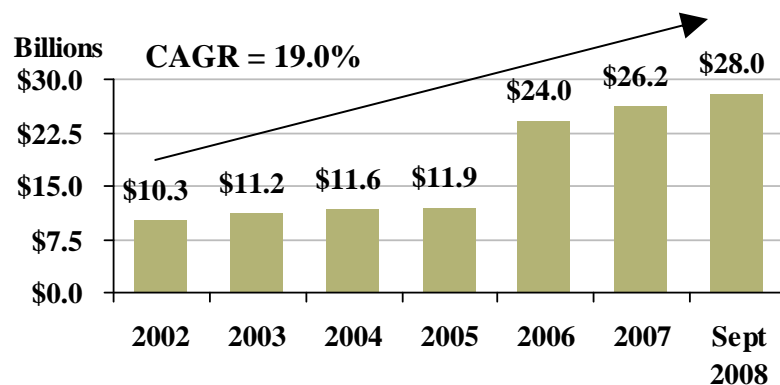
(2) PacifiCorp ratings are senior secured

“Forever is our holding period” – Berkshire ownership philosophy

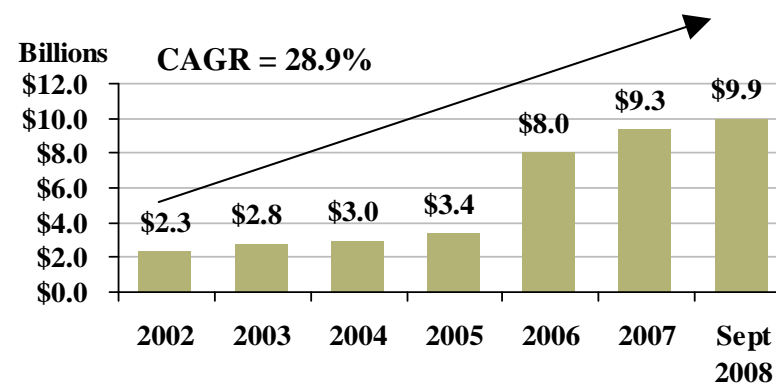
MEHC Growth Summary



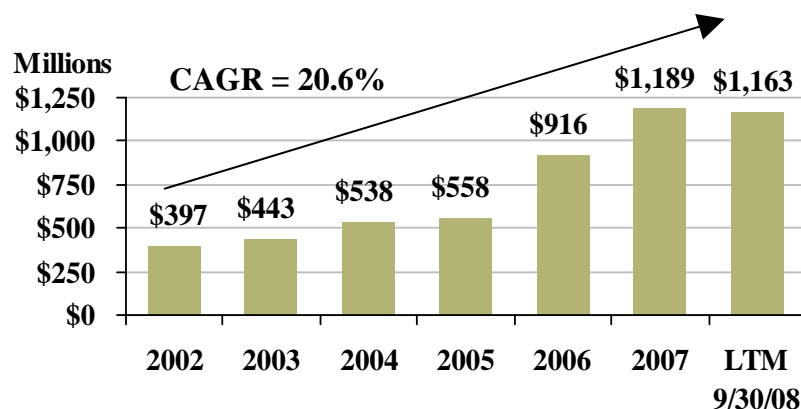
Property, Plant and Equipment (Net)



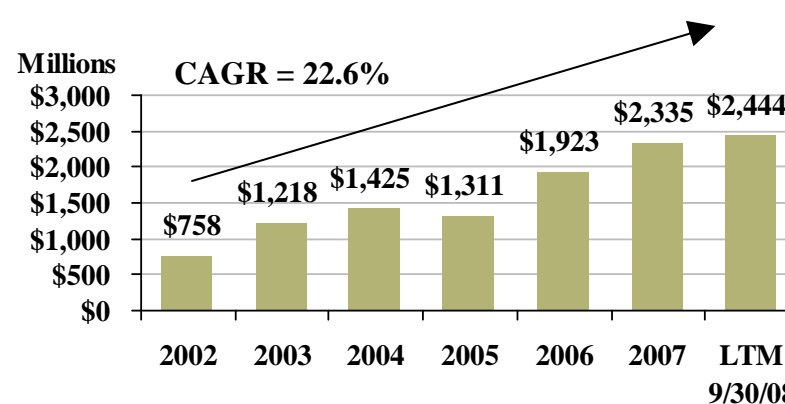
Shareholders' Equity



Income from Continuing Operations



Cash Flow from Operations



Segment Information (\$ in millions)



	LTM			
	9/30/2008	2007	2006	2005
Operating revenue				
PacifiCorp	\$ 4,463	\$ 4,258	\$ 2,939	\$ -
MidAmerican Funding	4,635	4,267	3,453	3,166
Northern Natural Gas	724	664	634	569
Kern River	442	404	325	324
CE Electric UK	1,077	1,079	928	884
CalEnergy Generation-Foreign	147	220	336	312
CalEnergy Generation-Domestic	30	32	32	34
HomeServices	1,198	1,500	1,702	1,868
Corporate/other ⁽¹⁾	(46)	(48)	(48)	(41)
Total operating revenue	\$ 12,670	\$ 12,376	\$ 10,301	\$ 7,116

- 1) The remaining differences between the segment amounts and the consolidated amounts described as “Corporate/other” relate principally to intersegment eliminations for operating revenue and, for the other items presented, to (i) corporate functions, including administrative costs, interest expense, corporate cash and investments and related interest income and (ii) intersegment eliminations

Segment Information (\$ in millions)



	LTM			
	9/30/2008	2007	2006	2005
Depreciation and amortization				
PacifiCorp	\$ 493	\$ 496	\$ 368	\$ -
MidAmerican Funding	264	269	275	269
Northern Natural Gas	59	58	57	30
Kern River	79	80	56	62
CE Electric UK	193	187	138	136
CalEnergy Generation-Foreign	23	50	80	90
CalEnergy Generation-Domestic	8	8	8	9
HomeServices	18	20	32	18
Corporate/other ⁽¹⁾	(20)	(18)	(7)	(6)
Total depreciation and amortization	\$ 1,117	\$ 1,150	\$ 1,007	\$ 608

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Segment Information (\$ in millions)



	LTM			
	9/30/2008	2007	2006	2005
Operating income				
PacifiCorp	\$ 935	\$ 917	\$ 528	\$ -
MidAmerican Funding	523	514	421	381
Northern Natural Gas	400	308	269	209
Kern River	312	277	217	204
CE Electric UK	564	555	516	484
CalEnergy Generation-Foreign	114	142	230	185
CalEnergy Generation-Domestic	12	12	14	15
HomeServices	(23)	33	55	125
Corporate/other ⁽¹⁾	(55)	(70)	(130)	(74)
Total operating income	\$ 2,782	\$ 2,688	\$ 2,120	\$ 1,529
Interest expense	(1,342)	(1,320)	(1,152)	(891)
Capitalized interest	48	54	40	17
Interest and dividend income	77	105	73	58
Other income	102	122	239	75
Other expense	(11)	(10)	(13)	(23)
Total income from continuing operations before income tax expense, minority interest and preferred dividends of subsidiaries and equity income	\$ 1,656	\$ 1,639	\$ 1,307	\$ 765

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Segment Information (\$ in millions)



	LTM			
	9/30/2008	2007	2006	2005
Interest expense				
PacifiCorp	\$ 339	\$ 314	\$ 224	\$ -
MidAmerican Funding	201	179	155	138
Northern Natural Gas	61	58	50	53
Kern River	71	75	74	73
CE Electric UK	211	241	215	218
CalEnergy Generation-Foreign	8	13	20	31
CalEnergy Generation-Domestic	17	17	18	18
HomeServices	2	2	2	2
Corporate/other ⁽¹⁾	432	421	394	358
Total interest expense	\$ 1,342	\$ 1,320	\$ 1,152	\$ 891

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Segment Information (\$ in millions)



	LTM			
	9/30/2008	2007	2006	2005
Capital expenditures				
PacifiCorp	\$ 1,493	\$ 1,518	\$ 1,114	\$ -
MidAmerican Funding	1,525	1,300	758	701
Northern Natural Gas	157	225	122	125
CE Electric UK	455	422	404	342
Other reportable segments and corporate/other ⁽¹⁾	38	47	25	28
Total capital expenditures	\$ 3,668	\$ 3,512	\$ 2,423	\$ 1,196

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Segment Information (\$ in millions)



	9/30/2008	2007	2006	2005
Total assets				
PacifiCorp	\$ 17,229	\$ 16,049	\$ 14,970	\$ -
MidAmerican Funding	10,273	9,377	8,651	8,003
Northern Natural Gas	2,589	2,488	2,277	2,245
Kern River	1,948	1,943	2,057	2,100
CE Electric UK	5,973	6,802	6,561	5,743
CalEnergy Generation-Foreign	488	479	559	643
CalEnergy Generation-Domestic	567	544	545	555
HomeServices	729	709	795	814
Corporate/other ⁽¹⁾	1,206	825	32	268
Total assets	\$ 41,002	\$ 39,216	\$ 36,447	\$ 20,371

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