



Natural Gas: The Fuel of Choice

Natural gas pipelines are the most efficient and environmentally sensitive method of transporting energy. Delivery of natural gas remains largely invisible to most people – the result of careful planning, design and construction. Kern River encourages community leaders and adjacent landowners to talk with its land representatives and project engineers whenever there is a question or a concern. You can reach a project representative at (800) 420-7500 or by e-mail at 2010expansion@kernrivergas.com.

24 Hours a Day, 365 Days a Year

Customers depend on Kern River to deliver a reliable source of energy 24 hours a day, 365 days a year. Safety and reliability are the most important considerations in the construction and operation of the Kern River system. Kern River has been reliably and safely delivering natural gas for more than 16 years. The 2010 facilities were designed and will be maintained with the same diligence and state-of-the-art features as the original system. The experienced team currently operating and maintaining the Kern River system will also operate and maintain the new facilities.

About Kern River Gas Transmission Company

Kern River Gas Transmission Company owns and operates a 1,680-mile interstate natural gas pipeline between southwestern Wyoming and Southern California. With headquarters in Salt Lake City, Kern River currently delivers more than 1.76 billion cubic feet per day of natural gas to expanding markets in Utah, Nevada, California and Arizona. Kern River is a subsidiary of MidAmerican Energy Holdings Company. Company information is available at www.kernrivergas.com.



MidAmerican Energy Holdings Company

MidAmerican Energy Holdings Company, based in Des Moines, Iowa, is a global provider of energy services. Through its energy-related business platforms – PacifiCorp, MidAmerican Energy Company, CE Electric UK, Kern River Gas Transmission Company, Northern Natural Gas Company and CalEnergy – MidAmerican provides electric and natural gas service to more than 6.9 million customers worldwide. Information on MidAmerican is available on the Internet at www.midamerican.com.

Our Commitment

Kern River is committed to communicating with the communities near the pipeline and to understanding their needs and interests. Representatives are available to address questions about the Kern River 2010 Expansion Project.

KERN RIVER 2010 EXPANSION PROJECT

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KERN RIVER 2010 EXPANSION PROJECT



Kern River Gas Transmission Company

The Kern River pipeline extends from the natural gas producing fields in southwestern Wyoming through Utah and Nevada to the San Joaquin Valley near Bakersfield, Calif. Completed in 1992, expanded in 2001, 2002 and 2003, the 1,680-mile pipeline currently has a design capacity of 1.76 billion cubic feet per day. Kern River delivers the natural gas transported on its system to customers in Utah, Nevada, California and Arizona.

Kern River's 2010 Expansion

The more than \$60 million expansion project will increase the system design capacity by approximately 145 million cubic feet per day. When completed, the Kern River system will be able to transport more than 1.9 billion cubic feet of natural gas per day.

The project includes installing a new turbine compressor unit at an existing station, restaging compressors at two existing stations and upgrading two existing meter facilities. The expansion also includes increasing the existing maximum allowable operating pressure on the pipeline from 1,200 pounds per square inch to 1,333 psi, and at the compressor and meter stations from 1,250 psi to 1,350 psi.

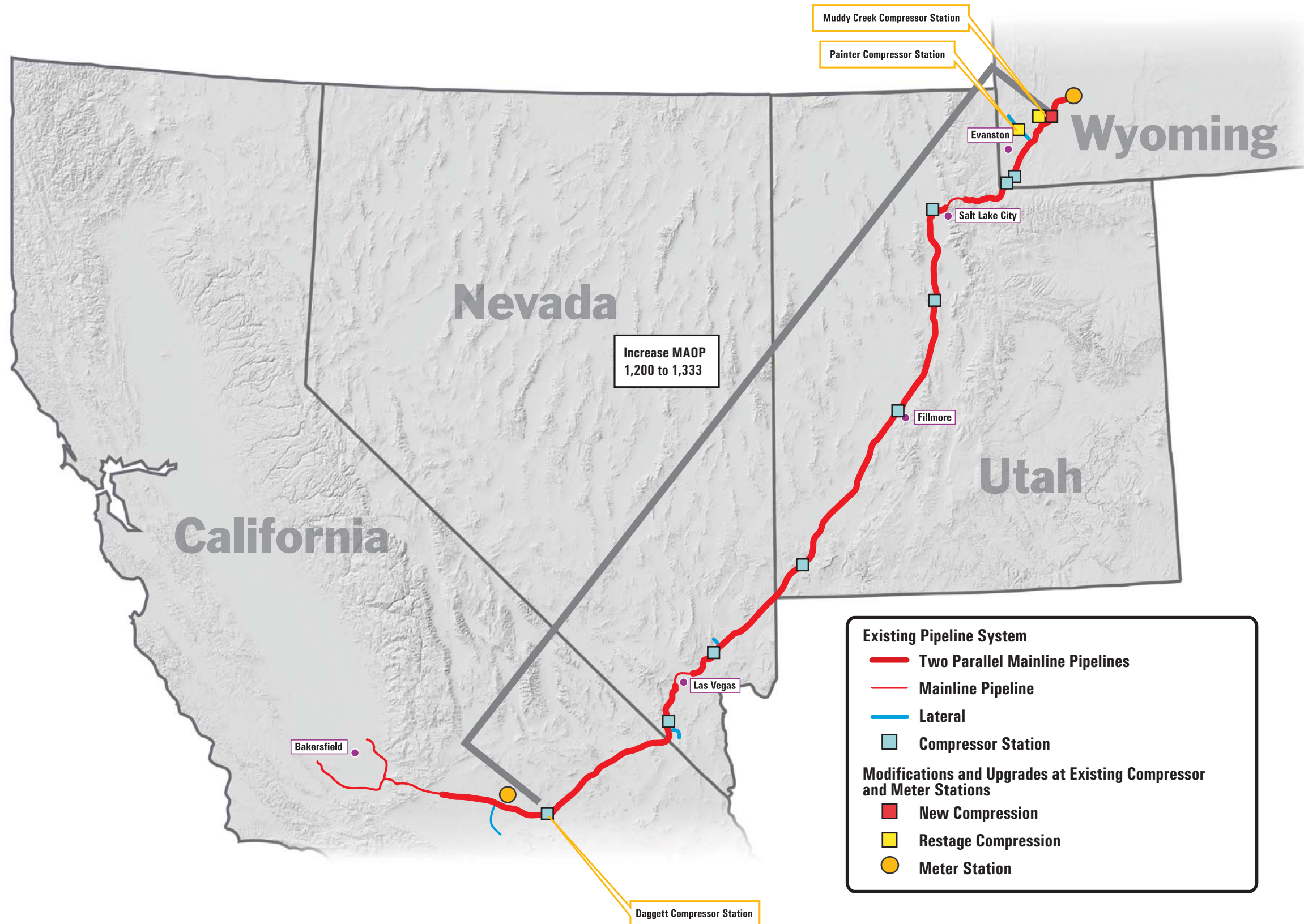
Project Benefits

The Kern River 2010 Expansion Project will do the following:

- Efficiently transport an additional 145 million cubic feet per day of natural gas to customers.
- Provide much needed take-away capacity for the developing natural gas supplies in the Rocky Mountain producing areas.

KERN RIVER

2010 EXPANSION PROJECT



The Kern River 2010 Expansion Project

The demand for natural gas continues to increase, and Kern River is committed to meeting that demand. The project consists of primarily above-ground facilities. The company is not adding any new mainline pipeline as part of the expansion, and it will not be acquiring any new rights of way. The aboveground work includes installing additional compression and modifying existing meter and compressor stations. Kern River will confine its expansion activities at the two existing compressor stations to the areas within the fenced facilities. The project also includes the installation of additional measurement equipment at existing meter stations in Wyoming and California. Kern River will install additional cathodic test posts on the right of way in highly populated areas for monitoring purposes.

In addition, Kern River is seeking approval from the Pipeline and Hazardous Materials Safety Administration, an agency of the U.S. Department of Transportation, to increase its pipeline operating pressure. By increasing the maximum allowable operating pressure of its system, Kern River can safely transport additional natural gas through existing facilities, thereby minimizing disruption and impact to the environment, landowners and neighbors near the pipeline right of way.

Additional Compression

Muddy Creek compressor station, Lincoln County, Wyo.

Restaging Boost Compressors

Muddy Creek compressor station, Lincoln County, Wyo.

Painter compressor station, Uinta County, Wyo.

Meter Station Construction

Additional meter facilities at the existing Opal receipt meter station, Lincoln County, Wyo.

Additional meter facilities at the existing Kramer Junction delivery meter station, San Bernardino County, Calif.

Operating Pressure Modifications

From Muddy Creek compressor station, Lincoln County, Wyo., to Daggett compressor station, San Bernardino County, Calif.

Project Timeline

June 2008

- Submit Section 7(c) application to the Federal Energy Regulatory Commission

April 2009

- Receive FERC certificate

May 2009

- Receive FERC Notice to Proceed

May 2009

- Begin construction at Muddy Creek compressor station and other facilities

November 1, 2010

- Place facilities in service