

MidAmerican Energy Company
 Docket 13-XXXX
 Pro-Forma Adjustment - Retirement Plan Costs

Individual Responsible: Rick Tunning

Line	Description (a)	Amount (b)	Reference (c)
1.	Three-Year Average Pension Costs - IL Electric	\$ 310,899	WP C-2.3 Page 2
2.	Three-Year Average SERP Costs - IL Electric	\$ 363,049	WP C-2.3 Page 2
3.	Three-Year Average OPEB Costs - IL Electric	\$ (68,531)	WP C-2.3 Page 2
4.	Total	\$ 605,417	Sum lines 1 -3
5.			
6.	Test Year Pension Costs - IL Electric	\$ 214,593	WP C-2.3 Page 2
7.	Test Year SERP Costs - IL Electric	\$ 388,498	WP C-2.3 Page 2
8.	Test Year OPEB Costs - IL Electric	\$ (140,804)	Sum lines 5 - 7
9.	Total	\$ 462,287	Line 4 - line 8
10.			
11.	Difference	\$ 143,130	Line 4 - line 9
12.			
13.	Pro Forma Adjustment		
14.	Increase O&M Expense	143,130	To Sch. C-2.3

MidAmerican Energy Company
 Docket 13-XXXX
 Pro-Forma Adjustment - Pension, SERP, OPEB Costs

Individual Responsible: Rick Tunning

Line	Description (a)	Account (b)	Total Company (c)	Total Electric (d)	Illinois Electric (e)	Reference (f)
1.	Test Year Pension Costs	926.101	\$ 2,976,221	\$ 2,068,511	\$ 214,593	WP C-2.3 Pg 3, 15
2.	Jurisdictional Distribution			69.50%	10.37%	
3.	Test Year SERP Costs	926.224	\$ 5,336,053	\$ 3,748,240	\$ 388,498	WP C-2.3 Pg 4, 15
4.	Jurisdictional Distribution			70.24%	10.36%	
5.	Test Year OPEB Costs	926.215-6	\$ (1,915,668)	\$ (1,362,054)	\$ (140,804)	WP C-2.3 Pg 5,6, 15
6.	Jurisdictional Distribution			71.10%	10.34%	
7.						
8.						
9.	2013 Pension Costs		\$ 5,395,291			WP C-2.3 Pg 7
10.	2012 Pension Costs		\$ 2,976,221			WP C-2.3 Pg 3
11.	2011 Pension Costs		\$ 4,564,182			WP C-2.3 Pg 11
12.	3-YearAverage		\$ 4,311,898			Average: lines 9-11
13.	Electric Portion of Average Pension Costs			\$ 2,996,823		Line 12 * line 2
14.	IL Electric Portion of Total				\$ 310,899	Line 13 * line 2
15.						
16.						
17.	2013 SERP Costs		\$ 5,319,138			WP C-2.3 Pg 8
18.	2012 SERP Costs		\$ 5,336,053			WP C-2.3 Pg 4
19.	2011 SERP Costs		\$ 4,304,336			WP C-2.3 Pg 12
20.	3-YearAverage		\$ 4,986,509			Average: lines 17-19
21.	Electric Portion of Average SERP Costs			\$ 3,502,707		Line 20 * line 4
22.	IL Electric Portion of Total				\$ 363,049	Line 21 * line 4
23.						
24.						
25.	2013 OPEB Costs		\$ (1,124,023)			WP C-2.3 Pg 9, 10
26.	2012 OPEB Costs		\$ (1,915,668)			WP C-2.3 Pg 5, 6
27.	2011 OPEB Costs		\$ 242,548			WP C-2.3 Pg 13, 14
28.	3-YearAverage		\$ (932,381)			Average: lines 25-27
29.	Electric Portion of Average OPEB Costs			\$ (662,930)		Line 28 * line 6
30.	IL Electric Portion of Total				\$ (68,531)	Line 29 * line 6
31.						

QUALIFIED PENSION ALLOCATIONS

A. Fiscal Year 2012 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Cordova	Renewables	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ 826,337	\$ 1,918,495	\$ 14,136,348	\$ 16,881,180	\$ 24,699	\$ 25,848	\$ 700,917	\$ 751,464	\$ 17,632,644
2. Interest cost	549,910	1,523,006	28,416,690	30,489,606	37,876	31,158	712,415	781,449	31,271,055
3. Expected return on assets	(887,080)	(2,150,571)	(40,210,271)	(43,247,922)	(71,866)	(45,470)	(1,141,177)	(1,258,513)	(44,506,435)
4. Net transition obligation/(asset) amortization	-	-	-	-	-	-	-	-	-
5. Net prior service cost amortization	17,261	(6,130)	633,454	644,585	(283)	-	4,544	4,261	648,846
6. Net loss/(gain) amortization	-	-	-	-	-	-	-	-	-
7. Amortization of regulatory (liability)	-	-	-	-	-	-	-	-	-
8. Curtailment loss/(gain)	-	-	-	-	-	-	-	-	-
9. Net periodic benefit cost/(income)	\$ 506,428	\$ 1,284,800	\$ 2,976,221	\$ 4,767,449	\$ (9,574)	\$ 11,536	\$ 276,699	\$ 278,661	\$ 5,046,110

B. Reconciliation of Funded Status as of January 1, 2012

	Kern River	NNG	MEC	Total Regulated	Cordova	Renewables	Other Non-Regulated	Total Non-Regulated	Total
1. Total PBO	\$ (12,020,545)	\$ (33,291,534)	\$ (621,163,210)	\$ (666,475,289)	\$ (827,931)	\$ (681,078)	\$ (15,572,752)	\$ (17,081,761)	\$ (683,557,050)
2. Fair value of assets	11,197,871	27,098,840	500,740,281	539,036,992	906,447	567,658	14,347,912	15,822,017	554,859,009
3. Funded status	(822,674)	(6,192,694)	(120,422,929)	(127,438,297)	78,516	(113,420)	(1,224,840)	(1,259,744)	(128,698,041)
4. Net transition (obligation)/asset	-	-	-	-	-	-	-	-	-
5. Net prior service cost	142,034	(49,297)	4,348,085	4,440,822	(2,207)	-	37,842	35,635	4,476,457
6. Net loss/(gain)	680,640	6,241,991	76,112,431	83,035,062	(76,309)	113,420	1,186,998	1,224,109	84,259,171
7. Regulatory (liability)/asset	-	-	-	-	-	-	-	-	-
8. Prepaid/(accrued) benefit cost	-	-	\$ (39,962,413)	\$ (39,962,413)	-	-	-	-	\$ (39,962,413)

January 1, 2012

Qualified Pension

TOWERS WATSON *TW*

2012
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January 1, 2012

SERP ALLOCATIONS

A. Fiscal Year 2012 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Melstad	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ -	\$ -	\$ 32,680	\$ 32,680	\$ 32,568	\$ 306,131	\$ 338,699	\$ 371,379
2. Interest cost	-	-	3,022,236	3,022,236	48,936	2,231,034	2,279,970	5,302,206
3. Expected return on assets	-	-	-	-	-	-	-	-
4. Transition obligation/(asset) amortization	-	-	-	-	-	-	-	-
5. Prior service cost amortization	-	-	5,059	5,059	1,860	1,874	3,734	8,793
6. Net loss/(gain) amortization	-	-	2,276,078	2,276,078	(3,106)	873,207	870,101	3,146,179
7. Net periodic benefit cost/(income)	\$ -	\$ -	\$ 5,336,053	\$ 5,336,053	\$ 80,258	\$ 3,412,246	\$ 3,492,504	\$ 8,828,557

B. Reconciliation of Funded Status as of January 1, 2012

	Kern River	NNG	MEC	Total Regulated	Melstad	Other Non-Regulated	Total Non-Regulated	Total
1. Total PBO	\$ -	\$ -	\$ (66,006,730)	\$ (66,006,730)	\$ (1,068,774)	\$ (48,726,608)	\$ (49,795,382)	\$ (115,802,112)
2. Fair value of assets	-	-	(66,006,730)	(66,006,730)	(1,068,774)	(48,726,608)	(49,795,382)	(115,802,112)
3. Funded status	-	-	-	-	-	-	-	-
4. Net transition obligation/(asset)	-	-	10,921	10,921	4,012	4,041	8,053	18,974
5. Net prior service cost	-	-	19,347,504	19,347,504	(26,401)	7,422,588	7,396,187	26,743,691
6. Net loss/(gain)	-	-	(46,648,305)	(46,648,305)	(1,091,163)	(41,299,979)	(42,391,142)	(89,039,447)
7. Prepaid/(accrued) benefit cost	\$ -	\$ -	\$ (46,648,305)	\$ (46,648,305)	\$ (1,091,163)	\$ (41,299,979)	\$ (42,391,142)	\$ (89,039,447)

Assumptions

Discount Rate	4.75%
Salary Scale	6.50%
EROA (Pre-Tax)	0.00%

SERP

TOWERS WATSON

NONUNION POSTRETIREMENT WELFARE ALLOCATIONS

A. Fiscal Year 2012 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Renewables	Total Non-Regulated	Total
1. Service cost	\$ 158,442	\$ 133,326	\$ 2,080,883	\$ 2,372,651	\$ 8,110	\$ 274,205	\$ 8,676	\$ 290,991	\$ 2,663,642
2. Interest cost	189,430	1,026,998	3,315,491	4,531,919	5,022	261,837	7,302	274,181	4,806,100
3. Expected return on assets	(294,047)	(2,177,449)	(4,557,122)	(7,028,618)	(11,661)	(346,350)	(9,956)	(367,967)	(7,396,585)
4. Net transition obligation/(asset) amortization	-	-	-	-	(2,725)	(143,875)	-	(146,600)	(149,325)
5. Net prior service cost/(credit) amortization	(81,325)	(745,916)	(2,132,272)	(2,959,513)	-	-	-	-	(3,106,113)
6. Net loss/(gain) amortization	-	-	-	-	-	-	-	-	-
7. Net periodic postretirement benefit cost/(income)	\$ (27,500)	\$ (1,763,041)	\$ (1,293,020)	\$ (3,083,561)	\$ (1,254)	\$ 45,837	\$ 6,022	\$ 50,605	\$ (3,032,956)

B. Reconciliation of Funded Status as of January 1, 2012

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Renewables	Total Non-Regulated	Total
1. Total APBO	\$ (4,147,150)	\$ (22,483,801)	\$ (72,585,210)	\$ (99,216,161)	\$ (109,935)	\$ (5,732,760)	\$ (159,867)	\$ (6,002,562)	\$ (105,218,723)
2. Fair value of assets	5,274,382	39,057,313	81,741,948	126,073,643	209,172	6,212,541	178,578	6,600,291	132,673,934
3. Funded status	1,127,232	16,573,512	9,156,738	26,857,482	99,237	479,781	18,711	597,729	27,455,211
4. Net transition obligation/(asset)	(795,652)	(7,458,295)	(21,015,526)	(29,269,473)	(26,601)	(1,413,344)	-	(1,439,945)	(30,709,418)
5. Net prior service cost/(credit)	463,805	(6,110,226)	13,688,235	8,041,814	(72,696)	933,563	(18,711)	842,216	8,884,030
6. Net loss/(gain)	-	-	-	-	-	-	-	-	-
7. Prepaid/(accrued) benefit cost	\$ 795,385	\$ 3,004,991	\$ 1,829,447	\$ 5,629,823	\$ -	\$ -	\$ -	\$ -	\$ 5,629,823

January 1, 2012

Nonunion Postretirement Welfare

TOWERS WATSON 

UNION POSTRETIREMENT WELFARE ALLOCATIONS

A. Fiscal Year 2012 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ -	\$ -	\$ 1,751,640	\$ 1,751,640	\$ -	\$ -	\$ -	\$ 1,751,640
2. Interest cost	-	-	3,705,110	3,705,110	-	-	-	3,705,110
3. Expected return on assets	-	-	(5,806,202)	(5,806,202)	-	-	-	(5,806,202)
4. Net transition obligation/(asset) amortization	-	-	-	-	-	-	-	-
5. Net prior service cost/(credit) amortization	-	-	(2,338,324)	(2,338,324)	-	-	-	(2,338,324)
6. Net loss/(gain) amortization	-	-	2,065,128	2,065,128	-	-	-	2,065,128
7. Net periodic postretirement benefit cost/(income)	\$ -	\$ -	\$ (622,648)	\$ (622,648)	\$ -	\$ -	\$ -	\$ (622,648)

B. Reconciliation of Funded Status as of January 1, 2012

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Total Non-Regulated	Total
1. Total APBO	\$ -	\$ -	\$ (80,699,753)	\$ (80,699,753)	\$ -	\$ -	\$ -	\$ (80,699,753)
2. Fair value of assets	-	-	80,113,459	80,113,459	-	-	-	80,113,459
3. Funded status	-	-	(586,294)	(586,294)	-	-	-	(586,294)
4. Net transition obligation/(asset)	-	-	-	-	-	-	-	-
5. Net prior service cost/(credit)	-	-	(27,501,587)	(27,501,587)	-	-	-	(27,501,587)
6. Net loss/(gain)	-	-	27,966,308	27,966,308	-	-	-	27,966,308
7. Prepaid/(accrued) benefit cost	\$ -	\$ -	\$ (121,573)	\$ (121,573)	\$ -	\$ -	\$ -	\$ (121,573)

Union Postretirement Welfare

January 1, 2012

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TOWERS WATSON 

QUALIFIED PENSION ALLOCATIONS

A. Fiscal Year 2013 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Cordova	Renewables	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ 767,368	\$ 1,700,784	\$ 14,318,023	\$ 16,786,175	\$ 23,835	\$ 25,267	\$ 662,919	\$ 712,021	\$ 17,498,196
2. Interest cost	465,291	1,259,345	25,633,358	27,357,994	31,529	26,673	593,974	652,176	28,010,170
3. Expected return on assets	(855,985)	(2,020,357)	(40,716,208)	(43,592,550)	(68,109)	(43,955)	(1,081,561)	(1,193,605)	(44,786,155)
4. Net transition obligation/(asset) amortization	-	-	-	-	-	-	-	-	-
5. Net prior service cost amortization	17,261	(6,130)	633,454	644,585	(283)	-	4,544	4,261	648,846
6. Net loss/(gain) amortization	1,988	237,941	5,526,664	5,766,593	(6,581)	4,171	17,085	14,675	5,781,268
7. Amortization of regulatory (liability)	-	-	-	-	-	-	-	-	-
8. Curtailment loss/(gain)	-	-	-	-	-	-	-	-	-
9. Net periodic benefit cost/(income)	\$ 395,923	\$ 1,171,583	\$ 5,395,291	\$ 6,962,797	\$ (19,609)	\$ 12,176	\$ 196,961	\$ 189,528	\$ 7,152,325

B. Reconciliation of Funded Status as of December 31, 2012

	Kern River	NNG	MEC	Total Regulated	Cordova	Renewables	Other Non-Regulated	Total Non-Regulated	Total
1. Total FBO	\$ (12,004,655)	\$ (32,491,468)	\$ (661,348,177)	\$ (705,844,300)	\$ (813,461)	\$ (688,171)	\$ (15,324,703)	\$ (16,826,335)	\$ (722,670,635)
2. Fair value of assets	12,259,981	29,029,121	585,035,632	626,324,734	976,637	631,734	15,514,611	17,122,982	643,447,716
3. Funded status	255,326	(3,462,347)	(76,312,545)	(79,519,566)	163,176	(56,437)	189,908	296,047	(79,222,919)
4. Net transition (obligation)/asset	-	-	-	-	-	-	-	-	-
5. Net prior service cost	124,773	(43,167)	3,714,631	3,796,237	(1,924)	-	33,298	31,374	3,827,611
6. Net loss/(gain)	(380,099)	3,505,514	84,729,391	87,854,806	(161,252)	56,437	(223,206)	(328,021)	87,526,785
7. Regulatory (liability)/asset	-	-	-	-	-	-	-	-	-
8. Prepaid/(accrued) benefit cost	-	-	\$ 12,131,477	\$ 12,131,477	-	-	-	-	\$ 12,131,477

January 1, 2013

Qualified Pension

TOWERS WATSON

SERP ALLOCATIONS

A. Fiscal Year 2013 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Melstad	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ -	\$ -	\$ 39,599	\$ 39,599	\$ 35,327	\$ 375,753	\$ 411,080	\$ 450,679
2. Interest cost	-	-	2,610,277	2,610,277	52,110	2,133,134	2,185,244	4,795,521
3. Expected return on assets	-	-	-	-	-	-	-	-
4. Transition obligation/(asset) amortization	-	-	-	-	-	-	-	-
5. Prior service cost amortization	-	-	5,059	5,059	1,860	1,874	3,734	8,793
6. Net loss/(gain) amortization	-	-	2,664,203	2,664,203	21,698	1,496,729	1,518,427	4,182,630
7. Net periodic benefit cost/(income)	\$ -	\$ -	\$ 5,319,138	\$ 5,319,138	\$ 110,995	\$ 4,007,490	\$ 4,118,485	\$ 9,437,623

B. Reconciliation of Funded Status as of December 31, 2012

	Kern River	NNG	MEC	Total Regulated	Melstad	Other Non-Regulated	Total Non-Regulated	Total
1. Total PBO	\$ -	\$ -	\$ (67,499,963)	\$ (67,499,963)	\$ (1,347,518)	\$ (55,161,399)	\$ (56,508,917)	\$ (124,008,880)
2. Fair value of assets	-	-	-	-	-	-	-	-
3. Funded status	-	-	(67,499,963)	(67,499,963)	(1,347,518)	(55,161,399)	(56,508,917)	(124,008,880)
4. Net transition obligation/(asset)	-	-	-	-	2,152	2,167	4,319	10,181
5. Net prior service cost	-	-	5,862	5,862	173,945	11,998,969	12,172,914	33,531,283
6. Net loss/(gain)	-	-	21,358,369	21,358,369	(1,171,421)	(43,160,263)	(44,331,684)	(90,467,416)
7. Prepaid/(accrued) benefit cost	\$ -	\$ -	\$ (46,135,732)	\$ (46,135,732)	\$ -	\$ -	\$ -	\$ -

Assumptions
 Discount Rate 4.00%
 Salary Scale 6.50%
 EROA (Pre-Tax) 0.00%

January 1, 2013

TOWERS WATSON 

SERP

NONUNION POSTRETIREMENT WELFARE ALLOCATIONS

A. Fiscal Year 2013 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Cordova	Renewables	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ 184,227	\$ 125,876	\$ 2,469,727	\$ 2,779,830	\$ 9,597	\$ 10,537	\$ 331,106	\$ 351,240	\$ 3,131,070
2. Interest cost	180,433	844,449	3,120,809	4,145,691	5,151	7,605	253,988	266,744	4,412,435
3. Expected return on assets	(335,029)	(2,234,982)	(4,662,279)	(7,232,290)	(12,429)	(10,993)	(367,054)	(390,476)	(7,622,766)
4. Net transition obligation/(asset) amortization	(81,325)	(745,916)	(2,132,272)	(2,959,513)	(2,725)	-	(143,875)	(146,600)	(3,106,113)
5. Net prior service cost/(credit) amortization	16,739	(144,910)	497,268	369,097	(1,403)	138	32,311	31,046	400,143
6. Net loss/(gain) amortization									
7. Net periodic postretirement benefit cost/(income)	\$ (34,955)	\$ (2,155,483)	\$ (706,747)	\$ (2,897,185)	\$ (1,809)	\$ 7,287	\$ 106,476	\$ 111,954	\$ (2,785,231)

B. Reconciliation of Funded Status as of December 31, 2013

	Kern River	NNG	MEC	Total Regulated	Cordova	Renewables	Other Non-Regulated	Total Non-Regulated	Total
1. Total APBO	\$ (4,992,171)	\$ (23,364,001)	\$ (86,345,715)	\$ (114,701,887)	\$ (142,510)	\$ (210,409)	\$ (7,027,278)	\$ (7,380,197)	\$ (122,082,084)
2. Fair value of assets	6,219,834	41,497,608	86,555,598	134,268,040	230,750	204,092	6,814,367	7,249,209	141,517,249
3. Funded status	1,227,663	18,128,607	209,883	19,566,153	88,240	(6,317)	(212,911)	(130,988)	19,435,165
4. Net transition obligation/(asset)	(714,327)	(6,712,379)	(18,883,254)	(26,309,960)	(23,876)	-	(1,269,469)	(1,293,345)	(27,603,305)
5. Net prior service cost/(credit)	767,932	(6,648,196)	22,813,720	16,933,456	(64,564)	6,317	1,482,380	1,424,333	18,357,789
6. Net loss/(gain)									
7. Prepaid/(accrued) benefit cost	\$ 1,281,268	\$ 4,768,032	\$ 4,140,349	\$ 10,189,649	\$ -	\$ -	\$ -	\$ -	\$ 10,189,649

January 1, 2013

Nonunion Postretirement Welfare

TOWERS WATSON

Union Postretirement Welfare

2.9 Summary and comparison of benefit cost and cash flows

All monetary amounts shown in US Dollars

Fiscal Year Ending	12/31/2013	12/31/2012
A Total Benefit Cost		
1 Employer service cost	2,051,958	1,751,640
2 Interest cost	3,320,736	3,705,110
3 Expected return on assets	(5,932,887)	(5,806,202)
4 Subtotal	(560,193)	(349,452)
5 Net transition obligation/(asset) amortization	0	0
6 Net prior service cost/(credit) amortization	(2,338,324)	(2,338,324)
7 Net loss/(gain) amortization	2,481,241	2,065,128
8 Amortization subtotal	142,917	(273,196)
9 Net periodic postretirement benefit cost/(income)	(417,276)	(622,648)
10 Cost of curtailments	0	0
11 Cost of settlements	0	0
12 Cost of special/contractual termination benefits	0	0
13 Total benefit cost	(417,276)	(622,648)
B Assumptions¹		
1 Discount rate	3.75%	4.75%
2 Long-term rate of return on assets	7.25%	7.50%
3 Rate of compensation/salary increase	3.00%	3.50%
4 Current health care cost trend rate	8.00%	7.40%
5 Ultimate health care cost trend rate	5.00%	5.00%
6 Year of ultimate trend rate	2018	2016
7 Census date	01/01/2012	01/01/2012
C Assets at Beginning of Year		
1 Fair market value	84,680,971	80,113,459
2 Market-related value	84,680,971	80,113,459
D Cash Flow	Expected	Actual
1 Employer contributions	0	0
2 Plan participants' contributions ²	1,925,598	458,410
3 Benefits paid from the Company	0	0
4 Benefits paid from plan assets ²	7,621,703	4,745,908

¹ These assumptions were used to calculate Net Periodic Postretirement Benefit Cost/(Income) as of the beginning of the year. Rates are expressed on an annual basis where applicable. For assumptions used for interim measurement periods, if any, refer to Appendix A.

² Over the fiscal year.

QUALIFIED PENSION ALLOCATIONS

A. Fiscal Year 2011 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ 939,724	\$ 2,052,923	\$ 13,495,019	\$ 16,487,666	\$ 30,058	\$ 849,146	\$ 879,204	\$ 17,366,870
2. Interest cost	605,908	1,681,500	30,408,043	32,695,451	44,424	829,328	873,752	33,569,203
3. Expected return on assets	(873,555)	(2,197,563)	(38,958,825)	(42,029,943)	(71,621)	(1,150,360)	(1,221,981)	(43,251,924)
4. Net transition obligation/(asset) amortization	-	-	-	-	-	-	-	-
5. Net prior service cost amortization	17,261	(6,130)	633,454	644,585	(283)	4,544	4,261	648,846
6. Net loss/(gain) amortization	-	-	-	-	-	-	-	-
7. Amortization of regulatory (liability)	(16,607)	(419,538)	(1,013,509)	(1,449,654)	-	-	-	(1,449,654)
8. Curtailment loss/(gain)	-	-	-	-	-	-	-	-
9. Net periodic benefit cost/(income)	\$ 672,731	\$ 1,111,192	\$ 4,564,182	\$ 6,348,105	\$ 2,578	\$ 532,658	\$ 535,236	\$ 6,883,341

B. Reconciliation of Funded Status as of January 1, 2011

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Total Non-Regulated	Total
1. Total PBO	\$ (11,428,602)	\$ (31,716,371)	\$ (573,554,989)	\$ (616,699,962)	\$ (837,922)	\$ (15,642,739)	\$ (16,480,661)	\$ (633,180,623)
2. Fair value of assets	11,358,596	28,497,857	490,539,254	530,395,707	930,196	14,848,714	15,778,910	546,174,617
3. Funded status	(70,006)	(3,218,514)	(83,015,735)	(86,304,255)	92,274	(794,025)	(701,751)	(87,006,006)
4. Net transition (obligation)/asset	-	-	-	-	-	-	-	-
5. Net prior service cost	159,295	(55,427)	4,981,539	5,085,407	(2,490)	42,386	39,896	5,125,303
6. Net loss/(gain)	(72,682)	3,693,479	(2,131,367)	1,489,430	(89,784)	751,639	661,855	2,151,285
7. Regulatory (liability)/asset	(16,607)	(419,538)	(1,013,509)	(1,449,654)	-	-	-	(1,449,654)
8. Prepaid/(accrued) benefit cost	\$ -	\$ -	\$ (81,179,072)	\$ (81,179,072)	\$ -	\$ -	\$ -	\$ (81,179,072)

January 1, 2011

Qualified Pension

TOWERS WATSON 

sect
 Weekly
 January 1, 2011

SERP ALLOCATIONS

A. Fiscal Year 2011 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Melstad	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ -	\$ -	\$ 37,769	\$ 37,769	\$ 28,774	\$ 220,746	\$ 249,520	\$ 287,289
2. Interest cost	-	-	3,327,328	3,327,328	46,261	2,313,318	2,359,579	5,686,907
3. Expected return on assets	-	-	-	-	-	-	-	-
4. Transition obligation/(asset) amortization	-	-	-	-	-	-	-	-
5. Prior service cost amortization	-	-	5,059	5,059	1,860	1,874	3,734	8,793
6. Net loss/(gain) amortization	-	-	934,180	934,180	(9,831)	247,205	237,374	1,171,554
7. Net periodic benefit cost/(income)	\$ -	\$ -	\$ 4,304,336	\$ 4,304,336	\$ 67,064	\$ 2,783,143	\$ 2,850,207	\$ 7,154,543

B. Reconciliation of Funded Status as of January 1, 2011

	Kern River	NNG	MEC	Total Regulated	Melstad	Other Non-Regulated	Total Non-Regulated	Total
1. Total PBO	\$ -	\$ -	\$ (62,942,314)	\$ (62,942,314)	\$ (875,114)	\$ (43,760,526)	\$ (44,635,640)	\$ (107,577,954)
2. Fair value of assets	-	-	(62,942,314)	(62,942,314)	(875,114)	(43,760,526)	(44,635,640)	(107,577,954)
3. Funded status	-	-	-	-	-	-	-	-
4. Net transition obligation/(asset)	-	-	15,980	15,980	5,872	5,915	11,787	27,767
5. Net prior service cost	-	-	14,715,001	14,715,001	(154,857)	3,893,929	3,739,072	18,454,073
6. Net loss/(gain)	-	-	(48,211,333)	(48,211,333)	(1,024,099)	(39,860,682)	(40,884,781)	(89,096,114)
7. Prepaid/(accrued) benefit cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Assumptions

Discount Rate	5.50%
Salary Scale	6.50%
EROA (Pre-Tax)	0.00%

SERP

TOWERS WATSON

UNION POSTRETIREMENT WELFARE ALLOCATIONS

A. Fiscal Year 2011 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ -	\$ -	\$ 1,629,916	\$ 1,629,916	\$ -	\$ -	\$ -	\$ 1,629,916
2. Interest cost	-	-	4,555,602	4,555,602	-	-	-	4,555,602
3. Expected return on assets	-	-	(5,973,197)	(5,973,197)	-	-	-	(5,973,197)
4. Net transition obligation/(asset) amortization	-	-	-	-	-	-	-	-
5. Net prior service cost/(credit) amortization	-	-	(1,779,024)	(1,779,024)	-	-	-	(1,779,024)
6. Net loss/(gain) amortization	-	-	1,433,920	1,433,920	-	-	-	1,433,920
7. Net periodic postretirement benefit cost/(income)	\$ -	\$ -	\$ (132,783)	\$ (132,783)	\$ -	\$ -	\$ -	\$ (132,783)

B. Reconciliation of Funded Status as of January 1, 2011

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Total Non-Regulated	Total
1. Total APBO	\$ -	\$ -	\$ (85,299,680)	\$ (85,299,680)	\$ -	\$ -	\$ -	\$ (85,299,680)
2. Fair value of assets	-	-	82,113,172	82,113,172	-	-	-	82,113,172
3. Funded status	-	-	(3,186,508)	(3,186,508)	-	-	-	(3,186,508)
4. Net transition obligation/(asset)	-	-	-	-	-	-	-	-
5. Net prior service cost/(credit)	-	-	(22,700,325)	(22,700,325)	-	-	-	(22,700,325)
6. Net loss/(gain)	-	-	26,188,346	26,188,346	-	-	-	26,188,346
7. Prepaid/(accrued) benefit cost	\$ -	\$ -	\$ 301,513	\$ 301,513	\$ -	\$ -	\$ -	\$ 301,513

Union Postretirement Welfare

January 1, 2011

TOWERS WATSON

NONUNION POSTRETIREMENT WELFARE ALLOCATIONS

A. Fiscal Year 2011 Net Periodic Benefit Cost

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Total Non-Regulated	Total
1. Service cost	\$ 168,450	\$ 254,779	\$ 2,224,036	\$ 2,647,265	\$ 7,084	\$ 313,734	\$ 320,818	\$ 2,968,083
2. Interest cost	207,351	1,289,641	4,056,209	5,553,201	4,947	315,273	320,220	5,873,421
3. Expected return on assets	(271,250)	(2,265,493)	(4,615,584)	(7,152,327)	(11,559)	(334,827)	(346,386)	(7,498,713)
4. Net transition obligation/(asset) amortization	-	-	-	-	-	-	-	-
5. Net prior service cost/(credit) amortization	(48,250)	(481,742)	(1,289,330)	(1,819,322)	(1,754)	(90,419)	(92,173)	(1,911,495)
6. Net loss/(gain) amortization	-	-	-	-	-	-	-	-
7. Net periodic postretirement benefit cost/(income)	\$ 56,301	\$ (1,202,815)	\$ 375,331	\$ (771,183)	\$ (1,282)	\$ 203,761	\$ 202,479	\$ (568,704)

B. Reconciliation of Funded Status as of January 1, 2011

	Kern River	NNG	MEC	Total Regulated	Cordova	Other Non-Regulated	Total Non-Regulated	Total
1. Total APBO	\$ (3,894,240)	\$ (24,220,662)	\$ (76,179,433)	\$ (104,294,335)	\$ (92,916)	\$ (5,221,114)	\$ (6,014,030)	\$ (110,308,365)
2. Fair value of assets	4,844,681	40,462,991	82,436,970	127,744,642	206,452	5,980,200	6,186,652	133,931,294
3. Funded status	950,441	16,242,329	6,257,537	23,450,307	113,536	59,086	172,622	23,622,929
4. Net transition obligation/(asset)	(517,413)	(5,332,305)	(13,983,961)	(19,833,679)	(18,768)	(976,090)	(994,858)	(20,828,537)
5. Net prior service cost/(credit)	(39,725)	(9,141,574)	9,539,377	358,078	(94,768)	917,004	822,236	1,180,314
7. Prepaid/(accrued) benefit cost	\$ 393,303	\$ 1,768,450	\$ 1,812,953	\$ 3,974,706	\$ -	\$ -	\$ -	\$ 3,974,706

Nonunion Postretirement Welfare

January 1, 2011

TOWERS WATSON

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REC RECORDS
 MEC STATEMENT - YTD
 FRC040 - FERC II
 Current Period: DEC-12

Currency: USD
 Co-MEC (MIDAMERICAN ENERGY COMPANY), ST-X (ALL SOURCES), EC-ELE (ELECTRIC)

Activity	IOWA	ILLINOIS	SOUTH DAKOTA	NEBRASKA	FERC	COMMON	TOTAL
922011 ADMIN-TRANSFER CR	(901,252.32)	(102,029.75)	(7,719.01)	0.00	0.00	0.00	(1,011,011.08)
922021 ADMIN-NU TRANSFER CR	(39,135.87)	(4,374.84)	(352.28)	0.00	0.00	0.00	(43,862.99)
922031 BU - NU TRANSFER CR	(128,200.66)	(14,701.24)	(1,117.12)	0.00	0.00	0.00	(144,019.02)
922-ADMIN EXP XFER	(1,068,598.85)	(121,105.83)	(9,188.41)	0.00	0.00	0.00	(1,198,893.09)
923001 OUTSIDE HUMAN RESRC	168,735.11	18,862.14	1,518.93	0.00	0.00	0.00	189,116.18
923002 OUTSIDE ACCT/AID/TAX	751,695.33	94,471.86	6,787.00	0.00	0.00	0.00	842,954.19
923003 OUTSIDE LEG COUNSEL	724,317.91	58,831.23	5,097.98	0.00	0.00	0.00	788,277.12
923004 OTHER OUTSIDE SRVC	197,733.89	19,844.00	1,634.40	0.00	0.00	0.00	219,202.29
923990 JNT PLANT OUT SVC CR	(419,676.36)	(35,432.33)	(3,855.29)	0.00	0.00	0.00	(458,964.18)
923999 AFFILIATE ASG EXP	3,801,633.50	424,231.13	34,262.49	0.00	0.00	0.00	4,260,129.12
923-OUTSIDE SERVICES	5,224,461.18	570,806.03	45,445.51	0.00	0.00	0.00	5,840,714.72
924011 INSUR PROG ADMIN	145,049.62	16,233.42	1,176.70	0.00	0.00	0.00	162,459.74
924501 INS-PROPERTY	3,064,147.99	266,323.27	27,807.23	0.00	0.00	0.00	3,360,278.49
924990 JNT PLANT PROP INS CR	(14,133.61)	(1,193.37)	(129.80)	0.00	0.00	0.00	(15,456.78)
924-PROPERTY INSUR	3,195,064.00	263,363.32	28,854.13	0.00	0.00	0.00	3,507,281.45
925011 SAFETY ADMIN	1,080,007.58	131,914.76	8,747.28	0.00	0.00	0.00	1,220,669.62
925021 PUBLIC LIAB SETTLEMENT	218,933.97	50,552.40	1,799.75	0.00	0.00	0.00	271,286.12
925022 WORKERS COMP ADMIN	182,056.20	20,821.45	1,557.05	0.00	0.00	0.00	204,434.70
925200 CUST SATISF CERT-PRG	9,189.50	224.71	39.75	0.00	0.00	0.00	9,453.96
925501 LIABILITY INSURANCE	1,036,555.38	129,634.13	8,532.70	0.00	0.00	0.00	1,174,722.21
925901 WORKMAN COMP LOADING	2,994,521.41	487,330.64	3,650.24	0.00	0.00	0.00	3,485,402.29
925990 JP LIAB INS/SAFTY CR	(212,194.90)	(17,915.09)	(1,949.24)	0.00	0.00	0.00	(232,059.22)
925-INJURIES/DAMAGES	5,305,069.14	802,463.01	22,377.53	0.00	0.00	0.00	6,133,909.68
926081 EMPL BENEFITS ADMIN	285,074.66	33,276.68	2,492.43	0.00	0.00	0.00	320,843.77
926082 EMPL FAMILY COUNSEL	21,829.73	2,503.01	189.53	0.00	0.00	0.00	24,522.27
926101 RETIREMENT PLAN	1,836,080.55	214,593.00	15,897.45	0.00	0.00	0.00	2,066,571.00
926112 DCP EARNINGS	996,812.79	114,753.05	9,650.09	0.00	0.00	0.00	1,121,215.93
926117 DCP-MEHC	1,368,974.21	157,800.15	12,450.09	0.00	0.00	0.00	1,539,224.45
926121 401K CONTRIBUTIONS	5,840,046.47	1,149,208.14	85,691.50	0.00	0.00	0.00	7,074,946.11
926211 HEALTH-CARE BENEFITS	17,364,745.69	2,022,305.42	151,820.16	0.00	0.00	0.00	19,538,871.27
926215 GROSS FAS 106 EXE	(4,210,144.48)	(140,804.33)	(11,105.40)	0.00	0.00	0.00	(4,362,054.21)
926221 LT DISABILITY	562,337.27	67,802.30	4,904.63	0.00	0.00	0.00	635,044.20
926222 FMLA ADMIN	37,890.25	4,418.46	330.41	0.00	0.00	0.00	42,639.12
926224 SUPPLEMENTAL PENSION	3,330,609.41	388,197.84	29,134.01	0.00	0.00	0.00	3,748,941.26
926231 LIFE INSURANCE	241,700.55	28,159.58	2,109.69	0.00	0.00	0.00	271,970.82
926241 GENERAL BENEFITS	203,595.68	23,528.43	1,756.02	0.00	0.00	0.00	228,880.13
926245 JOINT OWNER CREDITS	(570,613.45)	(47,492.46)	(5,286.15)	0.00	0.00	0.00	(623,392.06)
926251 TUITION REIMBURSE	60,897.88	5,630.10	310.10	0.00	0.00	0.00	66,838.08
926291 DENTAL CARE	712,204.34	83,497.16	6,199.03	0.00	0.00	0.00	801,900.53
926291 VISION CARE	75,584.63	8,934.23	661.13	0.00	0.00	0.00	85,179.99
926901 BENEFITS LOADING	23,304,815.95	2,626,052.16	191,991.53	0.00	0.00	0.00	26,122,859.64
926911 BENEFITS LOADING CR	(34,245,092.65)	(3,896,117.61)	(298,513.56)	0.00	0.00	0.00	(38,440,723.82)

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