Coal Combustion Residue Monofill Financial Assurance Report Form

Section 1: FACILITY INFORMATION *(please print or type)*

Information Requested	
Facility Name	Louisa Generating Station - West
Permitted Agency/Entity	- MidAmerican Energy Company
Permit Number	70-SDP-17-04C

Section 2: CLOSURE/POSTCLOSURE OR CORRECTIVE ACTION COST ESTIMATES

Information Requested	Cost Estimate	Date of Cost Estimate
Updated Closure Cost Estimate	$	February 27, 2026
Updated Postclosure Cost Estimate	$ 610,000	February 27, 2026
Initial or Updated Corrective Action Cost Estimate	$	

*Attach closure/postclosure cost estimate(s) signed and certified by an Iowa-licensed professional engineer. Cost estimates shall include, at a minimum, each of the cost line items defined in 103.3(3)"c" for closure and 103.3(4)"c" for postclosure. Please provide closure and/or postclosure site area acreage information with the estimates.

Provide a cost estimate for corrective action only if corrective action is required and a corrective action plan has been approved by the Department. Attach the corrective action cost estimate signed and certified by an Iowa-licensed professional engineer. The cost estimate shall account for total costs of the activities described in the approved corrective action plan for the corrective action period.

Section 3: FACILITY WASTE TONNAGE INFORMATION

Information Requested	Tons
Remaining permitted capacity as of the beginning of permit holder's current fiscal year	
Amount of waste disposed of at the facility during the prior year	

Section 4: PROOF OF COMPLIANCE

Publicly Owned Coal Combustion Residue Monofills *(ATTACH AUDIT REPORT)*

Owner's Most Recent Annual Audit Report

Prepared by: _____

For fiscal year ending: _____

Privately Owned Coal Combustion Residue Monofills *(ATTACH AFFIDAVIT)*

Attach owner/operator's affidavit indicating that an annual review has been performed by a certified public accountant to determine whether the privately owned monofill is in compliance with IAC 567 Chapter 103. The affidavit shall state the name of the certified public accountant, the dates and conclusions of the review, and the steps taken to rectify any deficiencies identified by the accountant.

Section 5: FINANCIAL ASSURANCE INSTRUMENT

Type and Value of Financial Assurance Instrument(s)		*(ATTACH INSTRUMENT(S)*	
Assurance Instrument	**Establishment Date**	**Mechanism Covers**	**Instrument Value**
Trust Fund 567 IAC 103.3(6)"a"		Closure ☐ Postclosure ☐ Corrective Action ☐	$
Surety Bond 567 IAC 103.3(6)"b"		Closure ☐ Postclosure ☐ Corrective Action ☐	$
Letter of Credit 567 IAC 103.3(6)"c"		Closure ☐ Postclosure ☐ Corrective Action ☐	$
Insurance 567 IAC 103.3(6)"d"		Closure ☐ Postclosure ☐ Corrective Action ☐	$
Corporate Financial Test 567 IAC 103.3(6)"e"	12/31/13	Closure ☒ Postclosure ☒ Corrective Action ☐	$ 610,000
Local Gov't. Financial Test 567 IAC 103.3(6)"f"		Closure ☐ Postclosure ☐ Corrective Action ☐	$
Corporate Guarantee 567 IAC 103.3(6)"g"		Closure ☐ Postclosure ☐ Corrective Action ☐	$
Local Gov't Guarantee 567 IAC 103.3(6)"h"		Closure ☐ Postclosure ☐ Corrective Action ☐	$
Local Gov't. Dedicated Fund 567 IAC 103.3(6)"i"		Closure ☐ Postclosure ☐ Corrective Action ☐	$

Section 7: FUND PAYMENTS *(only if using dedicated or trust fund)*

Completion of the following fund information complies with the annual financial statement requirements of IAC 567 103.3(3)"a" and 103.3(4)"a" by indicating the current balance(s) of the dedicated/trust fund and the projected amount(s) to be deposited in the fund(s).

Under "Beginning Balance", please state the fund balance 30 days after the start of the previous fiscal year, for "Ending Balance", indicate the fund balance 30 days after the close of the previous fiscal year, and for "Projected Deposit", indicate the amount to be deposited within 30 days of the close of the permit holder's fiscal year.

Information Requested	Beginning Balance	Ending Balance	Projected Deposit
Dedicated Fund Balance *(see formula below)*	$	$	$
Trust Fund Balance *(see formula below)*	$	$	$

Formula for Projected Deposits

Dedicated/Trust Fund

$$\frac{CE - CB}{Y}$$

Where "CE" is the closure or postclosure cost estimate, "CB" is the balance 30 days after close of the previous fiscal year, and "Y" is number of years remaining in the pay-in period.

If needed, the space below can be used to show calculations for projected deposit(s)

Section 8: Permit Holder Endorsement

Submittal of this completed and endorsed form along with all required documentation establishes Notification and Proof of Permit Holder Compliance with IAC 567 Chapter 103.		
Blake Groen	Vice President and Chief Financial Officer	
Name of Official	Title	
MidAmerican Energy Company		
Agency/Entity		
1615 Locust Street		
Address		
Des Moines	IA	50309-3037
City	State	Zip
515-252-6925		
Telephone	Fax	
Blake.Groen@midamerican.com		
Email Address		

	Vice President & CFO	3/31/2026
Signature of Official	Title	Date

Questions? Contact Chad A. Stobbe at (515) 242-5851 or Chad.Stobbe@dnr.iowa.gov

MIDAMERICAN
ENERGY COMPANY
Obsessively, Relentlessly At Your Service™

March 30, 2026

Mr. Chad A. Stobbe
Iowa Department of Natural Resources
Wallace State Office Building
502 East 9th Street
Des Moines, IA 50319

Re: MidAmerican Energy Company Coal Combustion Residue ("CCR") Monofills and Impoundments; Permits: #78-SDP-26-06P, #97-SDP-12-95P, #97-SDP-13-98P, #97-SDP-24-20C, #70-SDP-16-04P, #70-SDP-17-04C, #97-SDP-22-16C, #78-SDP-33-16C, #70-SDP-23-18C; Financial assurance Iowa Administrative Code 567 Chapter 103.3(6)"e" Corporate financial test

Dear Mr. Stobbe:

This letter is in support of MidAmerican Energy Company (MidAmerican Energy) using the corporate financial test to demonstrate financial assurance for closure and post-closure costs as specified in Iowa Administrative Code ("IAC") 567 Chapter 103.3(6)"e"(2)"1" and granted by the rule variance request approved by the Iowa Department of Natural Resources in a letter dated September 12, 2008 (copy enclosed).

MidAmerican Energy is the owner and operator of the following CCR monofills and inactive surface impoundments for which the combined financial assurance for closure and post-closure work is demonstrated through the substantive requirements of the financial component IAC 567 Chapter 103.3(6)"e"(1):

Walter Scott Jr. Energy Center (WSEC)
#78-SDP-26-06P
Council Bluffs, Iowa

Louisa Generating Station (LGS) – East
#70-SDP-16-04P
Muscatine, Iowa

Louisa Generating Station (LGS) – West
#70-SDP-17-04C
Muscatine, Iowa

George Neal Energy Center North (Neal North) – Closed #97-SDP-24-20C
Sergeant Bluff, Iowa

George Neal Energy Center – North (Neal North)
#97-SDP-12-95P
Sergeant Bluff, Iowa

George Neal Energy Center – South (Neal South)
#97-SDP-13-98P
Salix, Iowa

RECEIVED

APR 02 2026

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George Neal Energy Center – North
(Neal North Imp. 1, 2, 3A, 3B) #97-SDP-22-16C
Sergeant Bluff, Iowa

Walter Scott Jr. Energy Center (WSEC)
(WSEC North and South Ponds) #78-SDP-33-16C
Council Bluffs, Iowa

Louisa Generating Station (LGS)
(Bottom Ash Pond) #70-SDP-23-18C
Muscatine, Iowa

The current estimate for closure and post-closure costs for the six CCR monofill locations and three inactive surface impoundment locations, in accordance with IAC 567 Chapter 103.3(3) and 103.3(4), detailed by the third-party estimate (original copy dated February 27, 2026 enclosed) and covered by the financial test is stated below (in thousands):

Closure costs to be assured	$26,393
Post-closure costs to be assured	23,458
Total costs to be assured	$49,851

MidAmerican has the financial ability to complete the work as required in IAC 567 Chapter 103.3(3) and 103.3(4) and meets or exceeds the substantive requirements of the financial component as set out in IAC 567 Chapter 103.3(6)"e"(1):

1.	Current rating of MidAmerican Energy senior unsecured debt and name of rating service:	"A-" Standard and Poor's
2.	Tangible net worth as of December 31, 2025 (SEC Form 10-K):	$10.742 billion
3.	Assets of MidAmerican Energy located in the United States:	100%

In demonstration of compliance with IAC 567 Chapter 103.3(6)"e"(1) and (2), a copy of MidAmerican Energy's Form 10-K filed with the United States Securities and Exchange Commission for December 31, 2025, is enclosed. MidAmerican Energy's Form 10-K annual filing is independently audited by third-party Certified Public Accountants and provides the financial information that demonstrates MidAmerican Energy's financial capability to complete closure and post-closure obligations for the above referenced CCR monofills.

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This financial assurance instrument is intended to cover the 10-year post-closure care period as required in IAC 567-103. MidAmerican Energy understands the federal rules require 30 years of post-closure care and is prepared to provide the financial assurance instrument demonstrating the extended timeframe if the state's rules are amended. For purposes of demonstration, post-closure care costs for both timeframes are provided in the attached closure and post-closure care cost memorandum.

As the chief financial officer for MidAmerican Energy Company, I hereby certify that the information provided in this letter is true to the best of my knowledge and that this letter is being submitted in accordance with Iowa Administrative Code 567 Chapter 103 [subrule 103.3(6)"e"(2)"1"] *Record-keeping and reporting requirements* for the *Corporate financial test.*

Blake Groen
Vice President and Chief Financial Officer

CORY ROOT
MY COMMISSION EXPIRES
NOTARIAL SEAL
IOWA
07-22-2027
COMMISSION NUMBER 857444

Subscribed and sworn before me by Blake Groen this 30th day of March.

Cory Root

NOTARY PUBLIC IN AND FOR
THE STATE OF IOWA

bcc. Joshua Love
Josh Mohr
Lisa Bircher

MIDAMERICAN ENERGY COMPANY
BALANCE SHEETS (continued)
(Amounts in millions)

	As of December 31,	
	2025	2024
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	$ 505	$ 375
Accrued interest	120	117
Accrued property, income and other taxes	198	192
Current portion of long-term debt	4	17
Other current liabilities	96	91
Total current liabilities	923	792
Long-term debt	9,203	8,807
Regulatory liabilities	1,323	1,264
Deferred income taxes	3,760	3,626
Asset retirement obligations	870	823
Other long-term liabilities	822	623
Total liabilities	16,901	15,935
Commitments and contingencies (Note 13)		
Shareholder's equity:		
Common stock - 350 shares authorized, no par value, 71 shares issued and outstanding	—	—
Additional paid-in capital	561	561
Retained earnings	10,181	9,620
Total shareholder's equity	10,742	10,181
Total liabilities and shareholder's equity	$ 27,643	$ 26,116

The accompanying notes are an integral part of these financial statements.

Fields of Opportunities

STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF NATURAL RESOURCES
RICHARD A. LEOPOLD, DIRECTOR

September 12, 2008

TOM SPECKETER
VICE PRESIDENT AND CONTROLLER
MIDAMERICAN ENERGY
666 GRAND AVENUE
PO BOX 657
DES MOINES IA 50303-0657

Re: MidAmerican Energy Coal Combustion Residue (CCR) Monofills
Permit #07-SDP-12-95, #97-SDP-13-95, #70-SDP-15-04 and #78-SDP-05-06
Variance Approval: Iowa Administrative Code 567 Chapter 103.3(6)"e"(2)"1"

Dear Mr. Specketer:

This letter is to inform you that the rule variance request from Iowa Administrative Code 567 Chapter 103.3(6)"e"(2)"1" relative to the requirement that permitted CCR monofills submit a letter signed by a certified public accountant, based upon a certified audit that lists all the current cost estimates covered by a financial test and provides evidence demonstrating that the owner or operator meets the conditions of subparagraph 103.3(6)"e"(1), is hereby approved.

This variance is granted based on your April 18, 2008 letter to the department relative to the request to provide proof of financial assurance per a modification to the requirements of the corporate financial test; and that 40 CFR 258.74"e"(2) provides that via the corporate financial test, that an owner or operator's chief financial officer may execute the required letter. By being a rate regulated utility and being publicly traded, it's unlikely that an independent certified public accountant would sign the required letter without performing a full audit. Given that the information and third party certified audit requirements in IAC 567 Chapter 103.3(6)"e"(2) are already covered by MidAmerican Energy's annual Form 10-K filing to the United States Securities and Exchange Commission, a strict application of the rule would be redundant and would not provide any further protection to public health, safety and welfare.

The approved variance is applicable as long as the justification for the request remains the same. If problems arise which would cause MidAmerican Energy to be out of compliance with Iowa Administrative Code 567 Chapter 103, or which would present a risk to public health and the environment, the department may revoke the approval and require MidAmerican Energy comply with the current financial assurance requirements.

Please feel free to contact me with any questions. I can be reached at (515) 242-5851 or Chad.Stobbe@dnr.iowa.gov.

Sincerely,

Chad A. Stobbe

Chad A. Stobbe, Environmental Specialist Senior
Land Quality Bureau

Cc: IDNR Field Office #3, Spencer, IA
IDNR Field Office #4, Atlantic, IA
IDNR Field Office #6, Washington, IA

11228 Aurora Avenue
Des Moines, Iowa 50322-7905
United States
ghd.com

GHD

Our reference: 12574984-LTR-13

February 27, 2026

Mr. Josh Mohr
Environmental Director
MidAmerican Energy Company
4299 Northwest Urbandale Drive
Urbandale, Iowa 50322

Coal Combustion Residual Monofills – Closure Cost Estimates for Permitting

Dear Mr. Mohr:

1. Introduction and Certification

GHD prepared this letter and attachments to provide MidAmerican Energy Company (MidAmerican) with cost estimates for closure and post-closure of coal combustion residuals (CCR) Monofills (Monofills) in accordance with the Financial Assurance requirements of Chapter 567—103.3, Iowa Administrative Code (IAC). These cost estimates address the Walter Scott, Jr. Energy Center (WSEC) CCR Monofill in Council Bluffs, Iowa; Louisa Generating Station (LGS) CCR East and West Monofills in Muscatine, Iowa; and three CCR Monofills (Neal North Active, Neal North Closed, and Neal South) at the George Neal Energy Center in Salix, Iowa.

LICENSED PROFESSIONAL ENGINEER JUSTIN SIMON 23766 IOWA	**I hereby certify that this engineering document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.** **Justin Simon, P.E.** — **Date:** 2-27-2026 **License Number:** 23766 **My license renewal date is:** December 31, 2027 **Pages or sheets covered by this seal:** Entire Document

1.1 Estimate Structure

General information about the current and projected conditions at the Monofills is provided in Section 2. Details in this letter are organized to include the components listed in subparagraphs 567—103.3(3)c(6) and 103.3(4)c(6), IAC. For each of the components listed, information is provided in Sections 3 and 4 of this letter to support the estimate.

1.2 Estimate Basis

These cost estimates were prepared to address closure of the Monofills at the point in the life of each Monofill at which closure would be most expensive. The estimates are to be revised by MidAmerican annually to allow for inflation and other changes in conditions and costs. At the time of a Permit Amendment, the cost estimates are to be revised. The scope of these cost estimates only addresses the areas permitted for CCR disposal as of March 1, 2026. For example, at the LGS East Monofill, only Cells 1 through 4 are permitted for disposal although future cells are planned. These cost estimates were prepared at the request of MidAmerican and address changes in estimate assumptions since the 2025 estimates were developed.

Earthwork is the largest component of closure costs, specifically the capping of the Monofills; therefore, the most expensive point for closure will coincide with the time at which the most Monofill surface area remains to be capped. This will vary for each Monofill and GHD estimated this time based on observed fill patterns, fill rates, previously prepared lifetime estimates, and permitted fill conditions.

GHD prepared the estimates using several sources of data, including bid information for earthwork projects; verbal prices received from service providers; industry standard values; vendor price lists; and projections for engineering or design services. The cost estimates are provided in 2026 dollars and are summarized in Table 1; supporting data are provided in Attachment A. Significant variables for future comparison include changing permit requirements and changes to CCR production and recycling rates.

1.3 2026 Updates

This letter updates the cost estimates set forth in the 2025 Memorandum, dated March 7, 2025. The major points of revision are:

- The start date for the cost estimates was adjusted to March 1, 2026.
- Costs are now in 2026 dollars. An inflation factor of 1.033 has been applied to the unit costs used in the 2025 estimates. This inflation factor is calculated by dividing the 2025 fourth quarter implicit price deflator for gross domestic product by the 2024 fourth quarter value. The data source and calculations are presented in Attachment B in documentation provided by the Iowa Department of Natural Resources (IDNR).
- Cell 4 for LGS East Monofill was constructed and permitted for use in 2025.
- A capacity adjustment was made for the Neal North Active Monofill based on recent survey data.
- Lifetimes for Neal North Active, LGS East, and WSEC monofills were updated based on the 2025 CCR placement volumes and recent filling rates.
- For the Neal South Monofill, closed in 2019, the number of years remaining of post-closure was reduced by 1.
- For the Neal North Closed Monofill, closed in 2010, but permitted independently in 2021, the number of years remaining of post closure was reduced by 1.
- For the LGS West Monofill permitted separately in 2021, the number of years remaining of post-closure was reduced by 1.
- The estimated CCR Grading unit cost was updated for the active monofils (Neal North Active, LGS East, and WSEC) based on 2025 grading project at the LGS East Monofill.
- The number of wells to abandon for Neal South has been updated to 63 wells to reflect current conditions.
- The corrective measures cost estimate for Neal South has been updated based on current project understanding. A second estimate of costs assuming a 30-year post-closure period instead of 10 years is provided again. The State of Iowa currently requires a 10-year post-closure monitoring period; however, it is anticipated the Iowa Department of Natural Resources (IDNR) will adopt rules consistent with United States Environmental Protection Agency's (USEPA's) final rules for Disposal of CCRs from Electric

Utilities (40 CFR, Parts 257 and 261). The Neal North Closed Monofill post-closure period remains at 10 years in this estimate because it is not currently subject to the federal CCR rule.

1.4 2025 End-of-Year Estimated Remaining Permitted Capacity

The tonnage of CCR disposed in the Monofills is reported to the IDNR on a quarterly basis in the Fee-Exempt Report (DNR Form 542-8015). Due to the nature of these reports and recycling and reuse operations, the amounts reported may not fully reflect the amounts deposited or removed from the Monofills. The net tonnage of material deposited in each Monofill, less materials removed for beneficial use in 2025, is presented below.

Lifetimes for WSEC, LGS, and Neal North were updated based on the 2025 net CCR placement volumes:

- WSEC Monofill, 192,598 tons placed.
- LGS Monofill, 64,707 tons placed.
- Neal North Active Monofill, 68,201 tons placed.

The values from the fee-exempt quarterly reports were used, as shown in Table 2, to calculate the Estimated Remaining Permitted Capacity (ERPC) for each Monofill. The general calculation uses the ERPC and subtracts the amount disposed in 2025 to generate the end of 2025 ERPC.

The Neal North ERPC was adjusted to reflect a survey, completed on October 15, 2025, which indicated an estimated 469,754 cubic yards of fill placed. An additional 17,205 tons, assumed to occupy 17,205 cubic yards, was placed in the fourth quarter, for a total of 486,958 cubic yards estimated to be placed in the landfill. The original landfill capacity was estimated to be 1,430,000, resulting in an estimated 943,042 cubic yards remaining. Table 2 has a capacity adjustment of -215,934 cubic yards applied.

2. Site Conditions

The largest factor in the cost estimates is predicting the point at which the extent and manner of the Monofill operation would make closure the most expensive. Since completion of the cover is typically the most expensive component of construction, GHD estimated when the greatest amount of cover soil would be required. The three operating monofills included in this estimate are to be closed with a geomembrane and earthen cover system; therefore, it is assumed MidAmerican will continue to complete partial capping activities as final grades are achieved. This has historically been completed at all three locations but has not yet been initiated on the currently active fill areas at Neal North or LGS.

At Neal North, significant grading occurred in 2019 and a temporary cover or rain cover was placed over a portion of the fill area to limit infiltration. In a sudden closure scenario, however, cover over the entire Monofill would still need to be constructed and additional grading work would be required.

2.1 WSEC Monofill

The WSEC Monofill is currently permitted for approximately 88 acres of Monofill footprint (Cells 1, 2, 3N, 3S, 4, 5, 6, 7, 8 and 9). The WSEC Monofill is a composite-lined facility. The final grades of the WSEC Monofill side slopes are up to 25 percent. The currently permitted WSEC Monofill is estimated to reach capacity in 2048. Based on the current estimated fill capacity and projected completion of the soil cover in stages, it is estimated the most expensive point at which to complete closure of the Monofill would be 2033, when final slopes are being met and an estimated 65 acres of surface area will remain to be capped.

2.2 LGS East Monofill

The LGS East Monofill is constructed with composite-lined cells. Cell 1 was completed in 2018 and Cells 2 and 3 were completed in 2019, and Cell 4 was completed in 2025. The LGS East Monofill footprint is 14.8 acres.

The permitted capacity of the LGS East Monofill areas would last until 2027; however, an expansion will likely be completed prior to reaching permitted capacity. The most expensive point in closure is estimated as 2027 when there is significant open fill area due to rapidly reaching final grades.

2.3 LGS West Monofill

The LGS West Monofill is in a bermed area with a footprint of approximately 34 acres and was closed in 2020. The LGS West Monofill was permitted independently of the LGS East Monofill in 2021. The LGS West Monofill is subject to the Federal CCR Rule. The first year of post-closure care was 2022 due to the permitting timeframe for separation from the LGS East Monofill.

2.4 Neal South Monofill

The Neal South Monofill covers approximately 32 acres. A composite cover was installed in 2018 including a 40-mil plastic liner with substantial construction completed in January 2019. The Neal South Monofill is closed, and closure costs are no longer applicable. Corrective measures for groundwater under the federal CCR rule were implemented in 2020 and the post-closure cost estimate reflects this additional cost.

2.5 Neal North Active Monofill

The Neal North Active Monofill consists of composite-lined Cells 1 and 2 (13.6 acres). A total of three composite-lined cells are currently approved for construction at Neal North with a capacity projected to allow disposal until 2038. In 2018, with the closure of the Neal South Monofill, CCR from Unit 4 was directed to the Neal North Monofill. In 2019, part of the Neal North Monofill was graded for a temporary rain cover to limit infiltration; however, this area is not graded to final conditions. It is estimated the most expensive point of closure is 2026 because no capping has been completed and import soil (likely from adjacent areas) or significant grading of the material under the rain cover will be required to assure the final cap can meet minimum grades.

2.6 Neal North Closed Monofill

The Neal North Closed Monofill consists of east and west fill areas (51 acres) where closure with an earthen cover system was completed in 2010. The Neal North Closed Monofill is regulated by the IDNR and does not currently fall under the federal CCR rule. The first year of post-closure was 2021 because the closed monofill areas were previously included in the same Operating Permit as the Neal North Active Monofill.

3. Closure Costs

The required components of the closure cost estimates listed in subparagraph 567—103.3(3)c(6), IAC are presented below. Supporting information is provided in Attachment A. Closure costs no longer apply to the Neal South, Neal North, and LGS West monofills as closure construction is complete for these facilities.

3.1 Closure and Post-Closure Plan Document Revisions

These costs were estimated to be the same for WSEC, LGS, and Neal North monofills. The scope of this component of the cost estimate includes a terrestrial survey, cap construction drawings, and closure and post-closure plan revisions. Since the point at which closure will be the most expensive is not consistent with the end of the life of the Monofill, new final cap drawings will need to be created and site conditions such as drainage and erosion control will need to be evaluated for all closure scenarios included in these estimates.

3.2 Site Preparation, Earthwork, and Final Grading

Site grading and preparation can include consolidating CCR, modifying existing temporary capping, or associated site and site access grading. For this component of the cost estimate, GHD assumed no off-site material will be brought on-site (grading fill for Neal North Active Monofill will be borrowed locally) and the cost components consist of excavating and recompacting material.

3.3 Drainage Control Culverts, Piping, and Structures

The actual drainage control culverts, piping, and structures would be evaluated at the time of the final cap design. Currently, there are no calls for drainage piping or structures in the closure plans that would not be installed during cell construction and operation.

3.4 Erosion Control Structures, Sediment Ponds, and Terraces

Erosion control structures, sediment ponds, and terraces will be determined in the final capping design. Most sites either have structures in place or do not include them in the current final plans. Stormwater terracing and channels are used in the current design for the Monofill caps. Costs for construction of the terraces and cap channels are included in the cap construction cost.

3.5 Final Cap Construction

The proposed capping system at the three active monofills incorporates a geomembrane to limit permeability. The alternative cap at WSEC and the East LGS Monofill includes 6 inches of recompacted clay overlain by 60-mil high-density polyethylene (HDPE) geomembrane and drainage composite, overlain by a 12-inch topsoil layer. The proposed closure cap at the Neal North Active Monofill did not incorporate a membrane prior to a 2021 Operating Permit renewal but now includes a 40-mil linear low density (LLDPE) geomembrane, drainage layer, 18-inch layer of protective soil and a 6-inch topsoil layer. For Neal North, the earthen materials are available on-site or from adjacent parcels.

3.6 Cap Vegetation Soil Placement

It is assumed the vegetative soil layer, or topsoil layer, will be imported for WSEC and LGS. For Neal North, local borrow is likely feasible based on a 2018 investigation of MidAmerican-owned parcels.

3.7 Cap Seeding, Mulching, and Fertilization

The same per-acre cost is assumed for the Monofill sites to address seeding, mulching, fertilizing, and establishment of vegetation on the final cap.

3.8 Monitoring Well and Piezometer Modifications

The monitoring well network at the Monofill sites should not need modifications to accommodate capping activities because adequate monitoring networks are already installed or will be installed as part of any future expansion construction.

3.9 Leachate System Cleanout and Extraction Well Modifications

The WSEC, Neal North, and LGS East active monofills have leachate collection systems; however, the leachate extraction and clean-out piping are accessible outside the cells and no modifications to the piping are anticipated as part of closure activities.

3.10 Monitoring Well Installations and Abandonments

It is not anticipated that additional monitoring wells will be required as part of closure activities because an approved monitoring network is in place. Although some wells may be plugged and abandoned at the time of closure, it is more likely all surrounding monitoring wells will remain until the end of the post-closure period. Thus, no costs for new monitoring well installation or abandonment are included in the closure cost estimate.

3.11 Facility Modifications to Affect Closed Status

Facility modifications to affect closed status is assumed to include updating of signage to indicate the Monofill is closed and securing gates as necessary.

3.12 Engineering and Technical Services

Engineering and technical services during closure activities include construction oversight, documentation, and field testing. Since the scope of these activities is tied to the amount of earthwork, costs are calculated as a percentage of the estimated cost for completion of closure construction activities.

3.13 Legal, Financial, and Administrative Services

The scope of third-party legal, financial, and administrative services required to complete closure activities will vary by the entity but includes adding a deed notation that the property was used as a CCR Monofill. To account for these costs, a uniform value was applied to each Monofill project.

3.14 Closure Compliance Certifications and Documentation

The scope of closure compliance certifications and documentation includes providing the IDNR with assurance that the closure and construction activities were completed in compliance with the permit. Documentation will likely include test results, construction photographs, and a signed engineer's statement attesting to completion of the closure activities. This category of the cost estimate is also expected to include updates to the IDNR during construction activities.

3.15 Corrective Measures for Groundwater

Under the federal CCR Rule, certain groundwater conditions may require implementation of corrective measures. None of the operating Monofills (Neal North Active, WSEC, or LGS East) currently require corrective measures. The closed LGS West Monofill also does not require corrective measures, however, corrective measures were implemented for the closed Neal South Monofill.

4. Post-Closure Costs

The required components of the post-closure cost estimates listed in subparagraph 567—103.3(4)c(6), IAC are presented below. The post-closure period is assumed to be 10 years based on the current operating permits. Monitoring costs have also been updated based on the federal CCR rule analyte lists. Attachment A includes costs based on 10 years of post-closure monitoring; however, to reflect anticipated changes to state regulations for consistency with new federal regulations, separate calculations were completed for a 30-year post-closure period (except for the Neal North Closed Monofill). These values are shown in Table 3. 2026 represents year 8 of post-closure of the Neal South Monofill (including 2026, there are 3 years left of the post-closure period), year 6 of post-closure for the Neal North Closed Monofill (5 years remaining of post-closure remaining), and year 5 of post-closure for the LGS West Monofill (6 years of post-closure period remaining).

4.1 General Site Facilities, Access Roads, and Fencing Maintenance

During the post-closure period, site access roads must be maintained to facilitate cap maintenance. Site control through fencing must also be maintained. The amount of maintenance required will vary from site to site and be dependent on weather and adjacent site activities. A maintenance allowance was allotted for each year of the post-closure period; however, the actual annual maintenance activities and costs are expected to vary.

4.2 Cap and Vegetative Cover Maintenance

Erosion of the cap must be monitored during the post-closure period and damage repaired. An allowance was made for annual repair; however, the scope of maintenance activities will be highly dependent on-site conditions and activities.

4.3 Drainage and Erosion Control System Maintenance

Maintenance of a drainage and erosion control system may include removing soil or vegetation from drainage ways, replacing riprap, or other erosion control methods. As with other maintenance activities, the actual scope of required work will be highly variable and a maintenance allowance was made in the cost estimates.

4.4 Groundwater-to-Waste Separation Systems Maintenance

4.4.1 WSEC Monofill

During construction of Cells 1 and 2 at the WSEC Monofill, high groundwater conditions were observed that are believed to be anomalous. The IDNR stated if the high groundwater conditions were not anomalous, then MidAmerican would have to complete active measures to maintain the minimum 5-foot separation distance between the CCR in the Monofill and high groundwater elevation. The base was raised in the design for subsequent cells. At this time, it is not anticipated any active system will be required to maintain the groundwater-to-waste separation distance at the WSEC Monofill.

4.4.2 Neal North Active, Neal North Closed, Neal South, LGS East, and LGS West Monofills

Based on site conditions at these facilities, no costs are allocated for maintenance or operation of a groundwater-to-waste separation system.

4.5 Groundwater and Surface Water Monitoring Systems Maintenance

Maintenance of monitoring wells may include installation of replacement wells, replacement of protective casings, grading around wells, or surveying. To account for the possibility of these maintenance activities, an annual allowance was made in the cost estimate. There is no surface water sampling requirement in the current IDNR-approved monitoring networks for any of the listed facilities.

At the conclusion of the post-closure period, monitoring wells will be abandoned. Costs for well abandonment at the end of the post-closure period are included in another component of the cost estimate.

For the Neal North Closed Monofill, it is assumed that monitoring wells will remain in place after the post-closure period because they may continue to provide valuable data to other adjacent or overlapping monitoring works. The annual allowance for monitoring well repairs at the Neal North Closed Monofill is also significantly less because much of the network is associated with other monitoring networks where repair costs are accounted for.

4.6 Groundwater and Surface Water Quality Monitoring and Reports

Semi-annual groundwater sampling and annual reporting are required during the post-closure period. The sampling costs were updated based on recent contractor bids. Monitoring programs for the Monofills were amended in the operating permit to reflect the federal monitoring requirements.

4.7 Groundwater Monitoring Systems Performance Evaluations and Reports

Evaluations of the groundwater monitoring systems are included in the annual water quality monitoring report and no additional costs are allocated.

4.8 Leachate Control Systems Maintenance

The WSEC, Neal North Active, and LGS East Monofills have leachate collection systems that will remain in operation during closure and post-closure. Video logging of the collection and extraction pipes at WSEC has shown no cleaning efforts are required after over a decade of operation. Due to the nature of the CCR, it is anticipated some mineral scaling may occur, but not to the point of requiring significant cleaning due to low quantities of leachate and large, 8-inch-diameter laterals. As operational data become available in future years, these assumptions may be revised.

The small-scale leachate collection system at Neal South is anticipated to remain in place during a portion of the closure period but have minimal operation requirements.

The LGS West Monofill and the Neal North Closed monofills do not include leachate control systems.

4.9 Leachate Management, Transportation, and Disposal

4.9.1 WSEC Monofill

Upon closure, there will be approximately 88 acres requiring leachate management. An annual allowance was made for costs associated with extraction, transportation, and treatment of 2,400,000 gallons of leachate for the 10-year post-closure period. To reflect the declining rate of leachate generation over time, the 30-year post-closure estimate assumes an average of 1,500,000 gallons of leachate per year. The City of Council Bluffs Wastewater Treatment Plant, located north of the Monofill, will accept the leachate.

4.9.2 Neal North Active Monofill

Upon closure, Cells 1, 2, and 3 will require leachate management. In 2018, a leachate pond was constructed at Neal North. Leachate management is under review. The estimate reflects hauling 500,000 gallons of leachate to the City of Sioux City Wastewater Treatment Plant annually.

4.9.3 Neal South Monofill

A small-scale leachate collection system is currently in place at the Neal South Monofill. For the purposes of estimating ongoing post-closure costs, it is assumed the system will be abandoned prior to final closure. Costs were included for collecting and hauling leachate to the Neal North leachate pond and for abandonment in place of the collection system.

4.9.4 LGS East Monofill

The LGS East Monofill includes a leachate collection system and thus, costs are included for managing leachate at LGS.

4.10 Leachate Control Systems Performance Evaluations and Reports

An annual report of leachate production and management system performance is required during the post-closure period. The data for assessment of the control system would be acquired during the leachate management, transportation, and disposal operations. Additional costs are allocated to prepare the annual leachate system performance evaluation.

4.11 Facility Inspections and Reports

An annual engineering inspection of the completed cap is required. The engineering inspection will be documented in a report to the IDNR. The inspection typically consists of visual observation of the cover and noted apparent deficiencies in the cap thickness, erosion patterns, or areas where vegetation is not established.

4.12 Engineering and Technical Services

An annual allowance for engineering and technical services was made in the cost estimate. The scope of engineering services during the post-closure period will likely be limited to support for any permit modifications or changes to erosion control features. Additional services such as groundwater sampling or the annual engineering inspection are included in other components of the cost estimate.

4.13 Legal, Financial, and Administrative Services

The scope of third-party legal, financial, and administrative services required to complete closure activities will vary by the entity. To account for these costs, a uniform value was applied to each of the four Monofill projects.

4.14 Financial Assurance, Accounting, Audits, and Reports

The costs of third-party financial assurance, accounting, audits, and reports are difficult to assess because the requirements may vary from site to site. To account for these costs, a uniform value was applied for each year of the post-closure period.

4.15 Corrective Measures for Groundwater

Under the federal CCR Rule, certain groundwater conditions may require implementation of corrective measures. The Neal South Monofill, which is in the post-closure period, was identified for implementation of corrective measures. Corrective measures were initiated at the Neal South Monofill in 2020. The final scope of these measures is not determined; costs are estimated for a second round of delineation, assessment activities, and implementation of a corrective measures and groundwater monitoring and reporting for a period of five years.

Regards,

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JS/ls/LTR-13/S4

Encl.: Table 1 - Summary of Closure/Post-Closure Cost Estimates
Table 2 - 2025 Estimated Remaining Permitted Capacities (ERPCs)
Table 3 - Summary of Closure/Post-Closure Cost Estimates with 30-Year Post-Closure Period
Attachment A - Closure and Post-Closure Cost Estimates
Attachment B - Landfill Financial Assurance Cost Estimates Data Source and Calculations

Copy to: Josh Love, MidAmerican
Michael Alowitz, GHD

Tables

Table 1

Summary of Closure/Post-Closure Cost Estimates
MidAmerican Energy Company
Coal Combustion Residue Monofills
February 2026

	NN Active	NN Closed	Neal South	WSEC	LGS-West	LGS-East	TOTAL
Calculation Closure Year	2026	Closed	Closed	2033	Closed	2027	
Initiated Post-Closure	Active	2021	2019	Active	2022	Active	
Total Dollars							
Current Closure Cost	$3,553,000	-	-	$19,933,000	-	$2,907,000	
Current Post-Closure Cost	$1,584,000	$374,000	$700,000	$5,751,000	$610,000	$1,339,000	
Total Dollar Value	$5,137,000	$374,000	$700,000	$25,684,000	$610,000	$4,246,000	
Total (All Facilities)							**$36,751,000**

Notes:
Supporting calculations provided on additional sheets.
NN - Neal North
WSEC - Walter Scott, Jr. Energy Center.
LGS - Louisa Generating Station.

This table reflects a post-closure period of 10 years, consistent with current permit requirements.

Table 2

2025 Estimated Remaining Permitted Capacities (ERPCs)
MidAmerican Energy Company
Coal Combustion Residue Monofills
February 2026

	Permitted Cells	ERPC Through 2024 Tons A	Capacity Adjustment Tons B	Tons Disposed 2025 Tons C	ERPC Through 2025 Tons (A+B) - C
LGS	East 1, 2, 3, and 4	64,361	105,985	64,707	105,639
Neal North	1, 2, and 3	1,227,177	-215,934	68,201	943,042
WSEC	1 through 9	5,565,512	-	192,598	5,372,914

Notes:
WSEC - Walter Scott, Jr. Energy Center.
LGS - Louisa Generating Station.
ERPC - Estimated remaining permitted capacity.
Neal South Monofill was closed in 2019.

Table 3

Summary of Closure/Post-Closure Cost Estimates with 30-Year Post-Closure Period
MidAmerican Energy Company
Coal Combustion Residue Monofills
February 2026

	NN Active	NN Closed	Neal South	WSEC	LGS-West	LGS-East	TOTAL
Calculation Closure Year	2026	Closed	Closed	2033	Closed	2027	
Initiated Post-Closure	Active	2021	2019	Active	2022	Active	
Total Dollars							
Current Closure Cost	$3,553,000	-	-	$19,933,000	-	$2,907,000	
Current Post-Closure Cost	$4,693,000	$374,000	$700,000	$13,080,000	$2,621,000	$3,990,000	
Total Dollar Value	$8,246,000	$374,000	$700,000	$33,013,000	$2,621,000	$6,897,000	
Total (All Facilities)							**$51,851,000**

Notes:
NN - Neal North
WSEC - Walter Scott, Jr. Energy Center.
LGS - Louisa Generating Station.
Supporting calculations provided on additional sheets.

This table reflects a 30-year post-closure period, consistent with the federal CCR Rule where applicable except for NN Closed.

Attachments

Attachment A

Closure and Post-Closure Cost Estimates

Neal North Active CCR Monofill
Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure Plan (C/PC) document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$6.46	10,000	$64,559
	Coal Combustion Residue (CCR) Grading	CY	$4.28	5,000	$21,383
3	Drainage control culverts, piping, and structures.	Lump	$0	0	$0
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap Earthen construction.	CY	$13.83	29,000	$400,927
	60-mil HDPE and drainage Layer	SF	$3.63	575,000	$2,089,581
6	Cap vegetation soil placement.	CY	$12.57	9,667	$121,493
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$134,897
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	10	$60,182
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$433,953
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$3,552,935**
10 YEAR POST CLOSURE (CURRENT PERMIT)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	10	$73,210
2	Cap and vegetative cover maintenance.	Annual	$7,321	10	$73,210
3	Drainage and erosion control system maintenance.	Annual	$2,928	10	$29,284
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	10	$14,642
	Well Abandonment	Well (one time)	$879	33	$28,991
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$6,876	20	$137,513
7	Groundwater/surface water evaluations and reports.	Annual	$24,329	10	$243,292
8	Leachate control systems maintenance.	Annual	$7,177	10	$71,768
9	Leachate management, transportation, and disposal.	Annual	$35,529	10	$355,289
10	Leachate control systems performance evaluations and reports.	Annual	$5,856	10	$58,563
11	Facility inspections and reports.	Annual	$5,857	10	$58,568
12	Engineering and technical services.	Annual	$14,642	10	$146,420
13	Legal, financial, and administrative services.	Annual	$14,642	10	$146,420
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	10	$146,420
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$1,583,590**

Notes:
Start Date For Financial Calculations is March 1, 2026.

Neal North Active CCR Monofill
30-Year Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure Plan (C/PC) document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$6.46	10,000	$64,559
	Coal Combustion Residue (CCR) Grading	CY	$4.28	5,000	$21,383
3	Drainage control culverts, piping, and structures.	Lump	$0	0	$0
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap Earthen construction.	CY	$13.83	29,000	$400,927
	60-mil HDPE and drainage Layer	SF	$3.63	575,000	$2,089,581
6	Cap vegetation soil placement.	CY	$12.57	9,667	$121,493
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$134,897
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	10	$60,182
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$433,953
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$3,552,935**
30 YEAR POST CLOSURE (FEDERAL CCR RULE)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	30	$219,630
2	Cap and vegetative cover maintenance.	Annual	$7,321	30	$219,630
3	Drainage and erosion control system maintenance.	Annual	$2,928	30	$87,852
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	30	$43,926
	Well Abandonment	Well (one time)	$879	33	$28,991
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$6,876	60	$412,539
7	Groundwater/surface water evaluations and reports.	Annual	$24,329	30	$729,876
8	Leachate control systems maintenance.	Annual	$7,177	30	$215,304
9	Leachate management, transportation, and disposal.	Annual	$35,529	30	$1,065,868
10	Leachate control systems performance evaluations and reports.	Annual	$5,856	30	$175,688
11	Facility inspections and reports.	Annual	$5,857	30	$175,704
12	Engineering and technical services.	Annual	$14,642	30	$439,260
13	Legal, financial, and administrative services.	Annual	$14,642	30	$439,260
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	30	$439,260
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$4,692,789**

Notes:
Start Date For Financial Calculations is March 1, 2026.

Neal North Closed CCR Monofill
Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
10 YEAR POST CLOSURE (CURRENT PERMIT)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	5	$36,605
2	Cap and vegetative cover maintenance.	Annual	$7,321	5	$36,605
3	Drainage and erosion control system maintenance.	Annual	$2,928	5	$14,642
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$366	5	$1,832
	Well Abandonment	Well (one time)	$0	0	$0
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,405	10	$74,045
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	5	$89,912
8	Leachate control systems maintenance.	Annual	$0	0	$0
9	Leachate management, transportation, and disposal.	Annual	$0	0	$0
10	Leachate control systems performance evaluations and reports.	Annual	$0	0	$0
11	Facility inspections and reports.	Annual	$5,784	5	$28,920
12	Engineering and technical services.	Annual	$6,106	5	$30,529
13	Legal, financial, and administrative services.	Annual	$6,106	5	$30,529
14	Financial assurance, accounting, audits, and reports.	Annual	$6,106	5	$30,529
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$374,148**

Notes:
Start Date For Financial Calculations is March 1, 2026.
2025 was the fifth year of post-closure period.

Neal South CCR Monofill
Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
10 YEAR POST CLOSURE CURRENT PERMIT)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	3	$21,963
2	Cap and vegetative cover maintenance.	Annual	$7,321	3	$21,963
3	Drainage and erosion control system maintenance.	Annual	$2,928	3	$8,785
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	3	$4,393
	Well Abandonment	Well (one time)	$865	52	$44,964
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$21,156	6	$126,935
7	Groundwater/surface water evaluations and reports.	Annual	$19,040	3	$57,121
8	Leachate control systems maintenance.	Lump	$2,514	1	$2,514
9	Leachate management, transportation, and disposal.	Annual	$5,027	3	$15,082
10	Leachate control systems performance evaluations and reports.	Annual	$1,309	3	$3,927
11	Facility inspections and reports.	Annual	$5,857	3	$17,570
12	Engineering and technical services.	Annual	$14,642	3	$43,926
13	Legal, financial, and administrative services.	Annual	$14,642	3	$43,926
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	3	$43,926
15	Corrective measures for groundwater.	Annual	$34,610	3	$103,830
			Post-Closure Subtotal		**$560,824**

Notes:
Start Date For Financial Calculations is March 1, 2026.
2025 was the seventh year of post-closure period.

Neal South CCR Monofill
30-Year Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
30 YEAR POST CLOSURE (FEDERAL CCR RULE)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	23	$168,383
2	Cap and vegetative cover maintenance.	Annual	$7,321	23	$168,383
3	Drainage and erosion control system maintenance.	Annual	$2,928	23	$67,353
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	23	$33,677
	Well Abandonment	Well (one time)	$865	52	$44,964
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$21,156	46	$973,169
7	Groundwater/surface water evaluations and reports.	Annual	$19,040	23	$437,926
8	Leachate control systems maintenance.	Lump	$2,514	1	$2,514
9	Leachate management, transportation, and disposal.	Annual	$5,027	3	$15,082
10	Leachate control systems performance evaluations and reports.	Annual	$1,309	3	$3,927
11	Facility inspections and reports.	Annual	$5,857	23	$134,706
12	Engineering and technical services.	Annual	$14,642	23	$336,766
13	Legal, financial, and administrative services.	Annual	$14,642	23	$336,766
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	23	$336,766
15	Corrective measures for groundwater.	Annual	$34,610	3	$103,830
			Post-Closure Subtotal		**$3,164,210**

Notes:
Start Date For Financial Calculations is March 1, 2026.
2025 was the seventh year of post-closure period.

Louisa Generating Station West (Closed) CCR Monofill
Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
10 YEAR POST CLOSURE (CURRENT PERMIT)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	6	$43,926
2	Cap and vegetative cover maintenance.	Annual	$7,321	6	$43,926
3	Drainage and erosion control system maintenance.	Annual	$2,928	6	$17,570
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	6	$8,785
	Well Abandonment	Well (one time)	$865	8	$6,917
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$6,876	12	$82,508
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	6	$107,895
8	Leachate control systems maintenance.	Annual	$0	6	$0
9	Leachate management, transportation, and disposal.	Annual	$0	6	$0
10	Leachate control systems performance evaluations and reports.	Annual	$0	6	$0
11	Facility inspections and reports.	Annual	$5,857	6	$35,141
12	Engineering and technical services.	Annual	$14,642	6	$87,852
13	Legal, financial, and administrative services.	Annual	$14,642	6	$87,852
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	6	$87,852
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$610,224**

Notes:
Start Date For Financial Calculations is March 1, 2026.
2025 was the fourth year of post-closure period.

Louisa Generating Station West (Closed) CCR Monofill
30-Year Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
30 YEAR POST CLOSURE (FEDERAL CCR RULE)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	26	$190,346
2	Cap and vegetative cover maintenance.	Annual	$7,321	26	$190,346
3	Drainage and erosion control system maintenance.	Annual	$2,928	26	$76,138
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	26	$38,069
	Well Abandonment	Well (one time)	$865	8	$6,917
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$6,876	52	$357,534
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	26	$467,544
8	Leachate control systems maintenance.	Annual	$0	26	$0
9	Leachate management, transportation, and disposal.	Annual	$0	26	$0
10	Leachate control systems performance evaluations and reports.	Annual	$0	26	$0
11	Facility inspections and reports.	Annual	$5,857	26	$152,277
12	Engineering and technical services.	Annual	$14,642	26	$380,692
13	Legal, financial, and administrative services.	Annual	$14,642	26	$380,692
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	26	$380,692
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$2,621,247**

Notes:
Start Date For Financial Calculations is March 1, 2026.
2025 was the fourth year of post-closure period.

Louisa Generating Station East (Active) CCR Monofill
Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure Plan (C/PC) document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$11.11	5,000	$55,572
	Coal Combustion Residue (CCR) Grading	CY	$4.28	10,000	$42,766
3	Drainage control culverts, piping, and structures.	Lump	$52,355	1	$52,355
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap Earthen construction.	CY	$13.83	8,067	$111,522
	60-mil HDPE and drainage Layer	SF	$4.27	435,600	$1,861,777
6	Cap vegetation soil placement.	CY	$17.31	1,613	$27,929
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$107,596
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	12	$72,219
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$349,761
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$2,907,457**
10 YEAR POST CLOSURE (CURRENT PERMIT)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	10	$73,210
2	Cap and vegetative cover maintenance.	Annual	$7,321	10	$73,210
3	Drainage and erosion control system maintenance.	Annual	$2,928	10	$29,284
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	10	$14,642
	Well Abandonment	Well (one time)	$865	15	$12,970
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,933	20	$158,669
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	10	$179,825
8	Leachate control systems maintenance.	Annual	$6,422	10	$64,224
9	Leachate management, transportation, and disposal.	Annual	$19,633	10	$196,332
10	Leachate control systems performance evaluations and reports.	Annual	$3,853	10	$38,534
11	Facility inspections and reports.	Annual	$5,857	10	$58,568
12	Engineering and technical services.	Annual	$14,642	10	$146,420
13	Legal, financial, and administrative services.	Annual	$14,642	10	$146,420
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	10	$146,420
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$1,338,727**

Notes:
Start Date For Financial Calculations is March 1, 2026.

Louisa Generating Station East (Active) CCR Monofill
30-Year Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure Plan (C/PC) document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$11.11	5,000	$55,572
	Coal Combustion Residue (CCR) Grading	CY	$4.28	10,000	$42,766
3	Drainage control culverts, piping, and structures.	Lump	$52,355	1	$52,355
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap Earthen construction.	CY	$13.83	8,067	$111,522
	60-mil LLDPE and drainage Layer	SF	$4.27	435,600	$1,861,777
6	Cap vegetation soil placement.	CY	$17.31	1,613	$27,929
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$107,596
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	12	$72,219
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$349,761
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$2,907,457**
30 YEAR POST CLOSURE (FEDERAL CCR RULE)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	30	$219,630
2	Cap and vegetative cover maintenance.	Annual	$7,321	30	$219,630
3	Drainage and erosion control system maintenance.	Annual	$2,928	30	$87,852
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	30	$43,926
	Well Abandonment	Well (one time)	$865	15	$12,970
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,933	60	$476,006
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	30	$539,474
8	Leachate control systems maintenance.	Annual	$6,422	30	$192,671
9	Leachate management, transportation, and disposal.	Annual	$19,633	30	$588,995
10	Leachate control systems performance evaluations and reports.	Annual	$3,853	30	$115,603
11	Facility inspections and reports.	Annual	$5,857	30	$175,704
12	Engineering and technical services.	Annual	$14,642	30	$439,260
13	Legal, financial, and administrative services.	Annual	$14,642	30	$439,260
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	30	$439,260
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$3,990,241**

Notes:
Start Date For Financial Calculations is March 1, 2026.

Walter Scott, Jr. Energy Center CCR Monofill
Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure Plan (C/PC) document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$9.52	5,000	$47,586
	Coal Combustion Residue (CCR) Grading	CY	$4.28	15,000	$64,149
3	Drainage control culverts, piping, and structures.	Lump	$0	0	$0
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap construction.	acres	$263,933	60	$15,835,978
6	Cap vegetation soil placement (included line 5).				
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$797,386
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	65	$391,185
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$2,570,443
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$19,932,687**
10 YEAR POST CLOSURE (CURRENT PERMIT)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	10	$73,210
2	Cap and vegetative cover maintenance.	Annual	$7,321	10	$73,210
3	Drainage and erosion control system maintenance.	Annual	$2,928	10	$29,284
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	10	$14,642
	Well Abandonment	Well (one time)	$879	32	$28,113
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,405	20	$148,091
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	10	$179,825
8	Leachate control systems maintenance.	Annual	$7,099	10	$179,825
9	Leachate management, transportation, and disposal.	Annual	$446,886	10	$4,468,863
10	Leachate control systems performance evaluations and reports.	Annual	$5,856	10	$58,563
11	Facility inspections and reports.	Annual	$5,857	10	$58,568
12	Engineering and technical services.	Annual	$14,642	10	$146,420
13	Legal, financial, and administrative services.	Annual	$14,642	10	$146,420
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	10	$146,420
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$5,751,452**

Notes:
Start Date For Financial Calculations is March 1, 2026.

Walter Scott, Jr. Energy Center CCR Monofill
Closure and 30-Year Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure Plan (C/PC) document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$9.52	5,000	$47,586
	Coal Combustion Residue (CCR) Grading	CY	$4.28	15,000	$64,149
3	Drainage control culverts, piping, and structures.	Lump	$0	0	$0
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap construction.	acres	$263,933	60	$15,835,978
6	Cap vegetation soil placement (included line 5).				
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$797,386
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	65	$391,185
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$2,570,443
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$19,932,687**
30 YEAR POST CLOSURE (FEDERAL CCR RULE)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	30	$219,630
2	Cap and vegetative cover maintenance.	Annual	$7,321	30	$219,630
3	Drainage and erosion control system maintenance.	Annual	$2,928	30	$87,852
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	30	$43,926
	Well Abandonment	Well (one time)	$879	32	$28,113
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,405	60	$444,273
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	30	$539,474
8	Leachate control systems maintenance.	Annual	$7,099	30	$212,962
9	Leachate management, transportation, and disposal.	Annual	$320,485	30	$9,614,536
10	Leachate control systems performance evaluations and reports.	Annual	$5,856	30	$175,688
11	Facility inspections and reports.	Annual	$5,857	30	$175,704
12	Engineering and technical services.	Annual	$14,642	30	$439,260
13	Legal, financial, and administrative services.	Annual	$14,642	30	$439,260
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	30	$439,260
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$13,079,567**

Notes:
Start Date For Financial Calculations is March 1, 2026.

Attachment B

Landfill Financial Assurance Cost Estimates Data Source and Calculations

IOWA DNR
IOWA DEPARTMENT OF NATURAL RESOURCES

GOVERNOR, **KIM REYNOLDS**
LT. GOVERNOR, **CHRIS COURNOYER**
DIRECTOR, **KAYLA LYON**

Landfill Financial Assurance Cost Estimates
Adjustments for Inflation
February 20, 2026

As part of the financial assurance requirements for closure and post-closure of sanitary landfills [Iowa Code sections 455B.304(8) and 455B.306(9)], the owner or operator is required to submit to the Iowa Department of Natural Resources (DNR) a detailed written estimate in current dollars, certified by an Iowa-licensed professional engineer, of the cost of hiring a third party to close and/or conduct post-closure care for a sanitary landfill [Iowa Administrative Code 567 Chapters 103, 113, 114 and 115].

If costs for the closure and post-closure line items are not recalculated using actual costs during any year, the cost estimates must be adjusted for inflation.

As of February 20, 2026, the Inflation Factor for this year's Financial Assurance Reports is 1.033

Example: Cost Estimate Adjustment Using 2026 Inflation Factor

Prior Year's Financial Assurance Cost Estimate	$2,000,000
Inflation Factor	x 1.033
Current Year Financial Assurance Cost Estimate adjusted for inflation	$2,066,000

Inflation Factor Source
The inflation factor was calculated using Table 1.1.9., Implicit Price Deflators for Gross Domestic Product, from the U.S. Department of Commerce, Bureau of Economic Analysis.

$$\frac{\text{2025 4}^{\text{th}}\text{ quarter implicit price deflator: 130.600}}{\text{2024 4}^{\text{th}}\text{ quarter implicit price deflator: 126.450}} = \text{1.033 Inflation Factor}$$

Iowa DNR Financial Assurance Contact
Mary Klemesrud
Iowa Department of Natural Resources
6200 Park Avenue, Ste 200
Des Moines, IA 50321
515-802-8835
mary.klemesrud@dnr.iowa.gov

11228 Aurora Avenue
Des Moines, Iowa 50322-7905
United States
ghd.com

Our reference: 12574984-LTR-14

February 27, 2026

Mr. Josh Mohr
Environmental Director
MidAmerican Energy Company
4299 Northwest Urbandale Drive
Urbandale, Iowa 50322

Coal Combustion Residual Monofills – Asset Retirement Obligations

Dear Mr. Mohr:

1. Introduction and Certification

GHD prepared this letter and attachments to provide MidAmerican Energy Company (MidAmerican) with cost estimates for closure and post-closure of coal combustion residuals (CCR) Monofills (Monofills). These cost estimates address the Walter Scott, Jr. Energy Center (WSEC) CCR Monofill in Council Bluffs, Iowa; Louisa Generating Station (LGS) CCR Monofill in Muscatine, Iowa; and three CCR Monofill areas (Neal North Closed, Neal North Active, and Neal South) at the George Neal Energy Center in Salix, Iowa. The estimates were initially developed in accordance with the Financial Assurance requirements of Chapter 567—103.3, Iowa Administrative Code (IAC) for submittal to the Iowa Department of Natural Resources (IDNR) but were adjusted to estimate closure at the end of the currently-permitted lifetime rather than at the most expensive point in closure. This serves as the appropriate timeframe for asset retirement obligations (AROs).

LICENSED PROFESSIONAL ENGINEER JUSTIN SIMON 23766 IOWA	**I hereby certify that this engineering document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.** **Justin Simon, P.E.** — 2-27-2026 **Date** **License Number:** 23766 **My license renewal date is:** December 31, 2027 **Pages or sheets covered by this seal:** Entire Document

1.1 Estimate Structure

General information about the current and projected conditions at the Monofills is provided in Section 2. Details in this letter are organized to include the components listed in subparagraphs 567—103.3(3)c(6) and

103.3(4)c(6), IAC. For each of the components listed, information is provided in Sections 3 and 4 of this letter to support the estimate.

1.2 Estimate Basis

The cost estimates were prepared to address closure of the Monofills at the end of their permitted lifetime. The scope of the cost estimates only addresses the areas permitted for CCR disposal as of March 1, 2026. For example, at the LGS East Monofill, Cells 1 through 4 are permitted for disposal although future cells are planned.

GHD prepared the estimates using several sources of data, including bid information for earthwork projects; verbal prices received from service providers; industry standard values; vendor prices lists; and projections for engineering or design services. The cost estimates are provided in 2026 dollars and are summarized in Table 1; supporting data are provided in Attachment A. Significant variables for future comparison include changes to permit requirements and changes to CCR production and recycling rates.

The format of these estimates, unit costs, and approach follows the previously-developed estimates for 567-103.3 IAC requirements, with the exception that a post-closure period of 30 years was applied (except for the Neal North Closed Monofill), consistent with United States Environmental Protection Agency's (USEPA's) final rules for Disposal of CCRs from Electric Utilities (40 CFR Parts 257 and 261). The Neal North Closed Monofill has a closure period estimated at 10 years because it is permitted by the State of Iowa and not currently subject to the federal CCR Rule.

1.3 2026 Updates

Significant changes from the 2025 evaluations include:

- An inflation factor of 1.033 was applied to unit costs. The inflation factor is calculated using the gross domestic product implicit price deflator as required for the IDNR closure estimates. Inflation factor calculation information is provided in Attachment B.
- Cell 4 for LGS East Monofill was constructed and permitted for use in 2025.
- Lifetimes for Neal North Active, LGS, and WSEC Monofills were updated based on the 2025 CCR placement volumes and recent filling rates.
- For the Neal South Monofill, closed in 2019, the number of years remaining of post-closure was reduced by 1.
- For the Neal North Closed Monofill, closed in 2010, but only permitted independently in 2021, the number of years remaining of post-closure was reduced by 1.
- For the LGS West Monofill where the closure period started in 2022, the number of remaining years remaining of post-closure was reduced by 1.
- For the Neal South Monofill, Corrective Measures were updated to an annual cost and reduced to reflect the work completed to date.
- The estimated CCR Grading unit cost was updated for the active monofils (Neal North Active, LGS East, and WSEC) based on 2025 grading project at the LGS East Monofill.
- The number of wells to abandon for Neal South has been updated to 63 wells to reflect current conditions.
- The corrective measures cost estimate for Neal South has been updated based on current project understanding.
- The square footage for 60-mil HDPE and drainage layer was updated to match the closure cost estimate.

1.4 2025 Placement Totals

The tonnage of material deposited in each Monofill, less materials removed for beneficial use in 2025, is as follows:

- WSEC Monofill, 192,598 tons placed.
- LGS Monofill, 64,707 tons placed.
- Neal North Active Monofill, 68,201 tons placed.

2. Site Conditions

The Monofills included in this estimate are to be covered with a membrane cap. It is assumed MidAmerican will continue to complete partial capping activities as final grades are achieved. This has historically been completed at all three locations but has not yet been initiated on the currently active fill areas at Neal North Active or LGS East monofills.

2.1 WSEC Monofill

The WSEC Monofill is currently permitted for approximately 88 acres of Monofill footprint (Cells 1, 2, 3N, 3S, 4, 5, 6, 7, 8, and 9). The WSEC Monofill is a composite-lined facility. The final grades of the WSEC Monofill side slopes are up to 25 percent. The currently permitted WSEC Monofill is expected to reach capacity in 2048. Expansion cells or additional fill areas will likely be developed prior to closure.

2.2 LGS East Monofill

The LGS East Monofill is constructed with composite-lined cells. Cell 1 was completed in 2018 and Cells 2 and 3 were completed in 2019, and Cell 4 was completed in 2025. The LGS East Monofill footprint is 14.8 acres.

The permitted capacity of the LGS East Monofill areas would last until 2027. An expansion project is planned to be completed prior to reaching permitted capacity.

2.3 LGS West Monofill

The closed LGS West Monofill is in a bermed area with a footprint of approximately 34 acres and was closed in 2020. The LGS West Monofill was permitted independently of the LGS East Monofill in 2021. The LGS East Monofill is subject to the Federal CCR Rule. The first year of post-closure care is 2022 due to the permitting timeframe for separation from the LGS East Monofill.

2.4 Neal South Monofill

The closed Neal South Monofill covers approximately 32 acres. A composite cover was installed in 2018 including a 40-mil plastic liner with substantial construction completed in January 2019. The Neal South Monofill is closed, and closure costs are no longer applicable.

2.5 Neal North Active Monofill

The Neal North Active Monofill consists of composited-lined Cells 1 and 2 (13.6 acres). A total of three composite-lined cells are currently approved for construction at Neal North Active Monofill with a capacity projected to allow disposal until 2058.

2.6 Neal North Closed Monofill

The Neal North Closed Monofill consists of east and west fill areas (51 acres) where closure with an earthen cover system was completed in 2010. The Neal North Closed Monofill is regulated by the Iowa Department of Natural Resources and does not currently fall under the federal CCR rule. The first year of post-closure is considered 2021 because the closed monofill areas were previously included in the same Operating Permit as the Neal North Active Monofill.

3. Closure Costs

The required components of the closure cost estimates listed in subparagraph 567—103.3(3)c(6), IAC are presented below. Closure costs no longer apply to the Neal South, Neal North Closed, and LGS West monofills as closure construction is complete for these facilities.

3.1 Closure and Post-Closure Plan Document Revisions

These costs were estimated to be the same for WSEC, LGS, and Neal North Active monofills. The scope of this component of the cost estimate includes a terrestrial survey, cap construction drawings, and closure and post-closure plan revisions.

3.2 Site Preparation, Earthwork, and Final Grading

Site grading and preparation can include consolidating CCR, modifying existing temporary capping, or associated site and site access grading. For this component of the cost estimate, GHD assumed no off-site material will be brought on-site and the cost components consist of excavating and recompacting material.

3.3 Drainage Control Culverts, Piping, and Structures

The actual drainage control culverts, piping, and structures would be evaluated at the time of the final cap design. Currently, there are no calls for drainage piping or structures in the closure plans that would not be installed during cell construction and operation.

3.4 Erosion Control Structures, Sediment Ponds, and Terraces

Erosion control structures, sediment ponds, and terraces will be determined in the final capping design. Stormwater terracing and channels are used in the current design for the Monofill caps. Costs for construction of the terraces and cap channels are included in the cap construction cost since much of the infrastructure will be installed during partial capping activities prior to closure.

3.5 Final Cap Construction

The proposed capping system at the three active Monofills incorporates a geomembrane to limit permeability. The alternative cap at WSEC and the East LGS Monofill includes 6 inches of recompacted clay overlain by 60-mil high-density polyethylene (HDPE) geomembrane and drainage composite, overlain by a 12-inch topsoil layer. The proposed closure cap at the Neal North Active Monofill did not incorporate a membrane prior to a 2021 Operating Permit renewal but now includes a 40-mil linear low density (LLDPE) geomembrane, drainage layer, 18-inch layer of protective soil and a 6-inch topsoil layer. For the Neal North Active Monofill, the earthen materials are available on-site or from adjacent parcels.

3.6 Cap Vegetation Soil Placement

It is assumed topsoil for the vegetative soil layer will be imported for LGS and WSEC. For the Neal North Active Monofill, local borrow is likely feasible based on a 2018 investigation of MidAmerican-owned parcels.

3.7 Cap Seeding, Mulching, and Fertilization

The same per-acre cost is assumed for the Monofill sites to address seeding, mulching, fertilizing, and establishment of vegetation on the final cap.

3.8 Monitoring Well and Piezometer Modifications

The monitoring well network at the Monofill sites should not need modifications to accommodate capping activities because adequate monitoring networks are already installed or will be installed as part of any future expansion construction.

3.9 Leachate System Cleanout and Extraction Well Modifications

The WSEC, Neal North Active, and LGS East active monofills have leachate collection systems; however, the leachate extraction and clean-out piping are accessible outside the cells and no modifications to the piping are anticipated as part of closure activities.

3.10 Monitoring Well Installations and Abandonments

It is not anticipated that additional monitoring wells will be required as part of closure activities because an approved monitoring network is in place. Although some wells may be abandoned at the time of closure, it is more likely all surrounding monitoring wells will remain until the end of the post-closure period, 30 years after closure. Thus, no costs for new monitoring well installation or abandonment are included in the closure cost estimate.

3.11 Facility Modifications to Affect Closed Status

Facility modifications to affect closed status is assumed to include updating of signage to indicate the Monofill is closed and securing gates as necessary.

3.12 Engineering and Technical Services

Engineering and technical services during closure activities include construction oversight, documentation, and field testing. Since the scope of these activities is tied to the amount of earthwork, costs are calculated as a percentage of the estimated cost for completion of closure construction activities.

3.13 Legal, Financial, and Administrative Services

The scope of third-party legal, financial, and administrative services required to complete closure activities will vary by the entity but includes adding a deed notation that the property was used as a CCR Monofill. To account for these costs, a uniform value was applied to each Monofill project.

3.14 Closure Compliance Certifications and Documentation

The scope of closure compliance certifications and documentation includes providing the IDNR with assurance that the closure and construction activities were completed in compliance with the permit. Documentation will likely include test results, construction photographs, and a signed engineer's statement attesting to completion of the closure activities. This category of the cost estimate is also expected to include updates to the IDNR during construction activities.

3.15 Corrective Measures for Groundwater

Under the federal CCR Rule, certain groundwater conditions may require implementation of corrective measures. None of the operating Monofills (Neal North Active, WSEC, or LGS East) currently require corrective measures. The closed LGS West Monofill also does not require corrective measures, however, corrective measures were implemented for the closed Neal South Monofill.

4. Post-Closure Costs

The required components of the post-closure cost estimates listed in subparagraph 567—103.3(4)c(6), IAC are presented below. The post-closure period is assumed to be 30 years (except for the Neal North Closed Monofill) to reflect federal regulations (40 CFR 257.104). 2026 represents year 8 of post-closure of the Neal South Monofill (including 2026, there are 23 years of the post closure period), year 6 of post-closure for the Neal North Closed Monofill (5 years remaining of post-closure period), and year 5 of post closure for the LGS West Monofill (26 years of post-closure period remaining).

4.1 General Site Facilities, Access Roads, and Fencing Maintenance

During the post-closure period, site access roads must be maintained to permit cap maintenance. Site control through fencing must also be maintained. The amount of maintenance required will vary from site to site and is dependent on weather and adjacent site activities. A maintenance allowance was allotted for each year of the post-closure period; however, the actual annual maintenance activities and costs are expected to vary.

4.2 Cap and Vegetative Cover Maintenance

Erosion of the cap must be monitored during the post-closure period and damage repaired. An allowance was made for annual repair; however, the scope of maintenance activities will be highly dependent on site conditions and activities.

4.3 Drainage and Erosion Control System Maintenance

Maintenance of a drainage and erosion control system may include removing soil or vegetation from drainageways, replacing riprap, or other erosion control methods. As with other maintenance activities, the actual scope of required work will be highly variable and a maintenance allowance was made in the cost estimates.

4.4 Groundwater-to-Waste Separation Systems Maintenance

4.4.1 WSEC Monofill

During construction of Cells 1 and 2 at the WSEC Monofill, high groundwater conditions were observed that are believed to be anomalous. The IDNR stated if the high groundwater conditions were not anomalous, then MidAmerican would have to complete active measures to maintain the minimum 5-foot separation distance between the CCR in the Monofill and high groundwater elevation. The base was raised in the design of subsequent cells. At this time, it is not anticipated any active system will be required to maintain the groundwater-to-waste separation distance at the WSEC Monofill.

4.4.2 Neal North Active, Neal North Closed, Neal South, LGS East, and LGS West Monofills

Based on site conditions at these facilities, no costs are allocated for maintenance or operation of a groundwater-to-waste separation system.

4.5 Groundwater and Surface Water Monitoring Systems Maintenance

Maintenance of monitoring wells may include installation of replacement wells, replacement of protective casings, grading around wells, or surveying. To account for the possibility of these maintenance activities, an annual allowance was made in the cost estimate. There is no surface water sampling requirement in the current IDNR-approved monitoring networks for any of the listed facilities.

At the conclusion of the post-closure period, monitoring wells will be abandoned. Costs for well abandonment at the end of the post-closure period are included in another component of the cost estimate.

For the Neal North Closed Monofill, it is assumed that monitoring wells will remain in place after the post-closure period because they may continue to provide valuable data to other adjacent or overlapping monitoring works. The annual allowance for monitoring well repairs at the Neal North Closed Monofill is also significantly less because much of the network is associated with other monitoring networks where repair costs are accounted for. For the 2026 estimates, 3 additional monitoring wells were added to the total for the WSEC Monofill.

4.6 Groundwater and Surface Water Quality Monitoring and Reports

Annual groundwater sampling and reporting are required during the post-closure period. GHD estimated this cost using current sampling and reporting costs and to reflect monitoring of both the existing and future Monofill areas at LGS.

Monitoring programs for the four Monofills were amended in the operating permit to reflect the federal monitoring requirements. The Neal North Closed Monofill is not subject to federal rules at this time. Post-closure groundwater monitoring will be conducted semiannually.

4.7 Groundwater Monitoring Systems Performance Evaluations and Reports

Evaluations of the groundwater monitoring systems are included in the annual water quality monitoring report and no additional costs are allocated.

4.8 Leachate Control Systems Maintenance

The WSEC, Neal North Active, and LGS East Monofills have leachate collection systems that will remain in operation during closure and post-closure. Video logging of the collection and extraction pipes at WSEC has shown no cleaning efforts are required after over a decade of operation. Due to the nature of the CCR, it is anticipated some mineral scaling may occur, but not to the point of requiring significant cleaning due to low quantities of leachate and large, 8-inch-diameter laterals. As operational data become available in future years, these assumptions may be revised.

The small-scale leachate collection system at Neal South is anticipated to remain in place during a portion of the closure period but have minimal operation requirements.

The LGS West Monofill and Neal North Closed Monofill do not include a leachate control system.

4.9 Leachate Management, Transportation, and Disposal

4.9.1 WSEC Monofill

Upon closure, there will be approximately 88 acres requiring leachate management. An annual allowance was made for costs associated with extraction, transportation, and treatment of 1,500,000 gallons of leachate. The City of Council Bluffs Wastewater Treatment Plant, located north of the Monofill, will accept the leachate.

4.9.2 Neal North Active Monofill

Upon closure, Cells 1, 2, and 3 will require leachate management. In 2018, a leachate pond was constructed adjacent to the Neal North Active Monofill. The estimate reflects hauling 500,000 gallons of leachate to the City of Sioux City Wastewater Treatment Plant annually.

4.9.3 Neal South Monofill

A small-scale leachate collection system is currently in place at the Neal South Monofill. For the purposes of estimating ongoing post-closure costs, it is assumed the system will be abandoned prior to final closure. Costs were included for collecting and hauling leachate to the Neal North leachate pond and for abandonment in place of the collection system.

4.9.4 LGS East Monofill

The LGS East Monofill includes a leachate collection system. Costs are included for managing leachate at LGS.

4.10 Leachate Control Systems Performance Evaluations and Reports

An annual report of leachate production and management system performance is required during the post-closure period. The data for assessment of the control system would be acquired during the leachate management, transportation, and disposal operations. Costs are allocated to prepare the annual leachate system performance evaluation.

4.11 Facility Inspections and Reports

An annual engineering inspection of the completed cap is required. The engineering inspection will be documented in a report to the IDNR. The inspection typically consists of visual observation of the cover and noted apparent deficiencies in the cap thickness, erosion patterns, or areas where vegetation is not established.

4.12 Engineering and Technical Services

An annual allowance for engineering and technical services was made in the cost estimate. The scope of engineering services during the post-closure period will likely be limited to support for any permit modifications or changes to erosion control features. Additional services such as groundwater sampling or the annual engineering inspection are included in other components of the cost estimate.

4.13 Legal, Financial, and Administrative Services

The scope of third-party legal, financial, and administrative services required to complete closure activities will vary by the entity. To account for these costs, a uniform value was applied to each of the four Monofill projects.

4.14 Financial Assurance, Accounting, Audits, and Reports

The costs of third-party financial assurance, accounting, audits, and reports are difficult to assess because the requirements may vary from site to site. To account for these costs, a uniform value was applied for each year of the post-closure period.

4.15 Corrective Measures for Groundwater

Under the federal CCR Rule, certain groundwater conditions may require implementation of corrective measures. The Neal South Monofill, which is in the post-closure period, was identified for implementation of corrective measures. Corrective measures are initiated at the Neal South Monofill in 2020 and the additional noted costs reflect a remaining 3-year period of monitoring and reporting.

Regards,

Justin Simon, P.E.
Environmental Engineer

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Project Director

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JS/ls/LTR-14/S4

Encl.: Table 1 - Summary of Asset Retirement Obligations
Attachment A - ARO Closure and Post-Closure Cost Estimates

Copy to: Josh Love, MidAmerican
Michael Alowitz, GHD

Tables

Table 1

Summary of Asset Retirement Obligations
MidAmerican Energy Company
Coal Combustion Residue Monofills
February 2026

	NN Active	NN Closed	Neal South	WSEC	LGS-West	LGS-East	TOTAL
Closure Year	2058	Closed	Closed	2048	Closed	2026	
Initiated Post-Closure	Active	2021	2019	Active	2022	Active	
Total Dollars							
Current Closure Cost	$3,192,000	-	-	$10,112,000	-	$1,606,000	
Current Post-Closure Cost	$4,693,000	$374,000	$3,303,000	$16,903,000	$2,621,000	$3,990,000	
Total Dollar Value	$7,885,000	$374,000	$3,303,000	$27,015,000	$2,621,000	$5,596,000	
Total (All Facilities)							**$46,794,000**

Notes:
Supporting calculations provided on additional sheets.
NN - Neal North
WSEC - Walter Scott, Jr. Energy Center.
LGS - Louisa Generating Station.

Post-closure costs assume a 30-year post-closure period except for NN Closed.

Attachments

Attachment A

ARO Closure and Post-Closure Cost Estimates

Neal North Active CCR Monofill
ARO Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure (C/PC) Plan document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$6.46	2,000	$12,912
	Coal Combustion Residue (CCR) Grading	CY	$4.28	5,000	$21,383
3	Drainage control culverts, piping, and structures.	Lump	$0	0	$0
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap construction.	CY	$13.83	12,100	$167,283
	60-mil HDPE and drainage Layer	SF	$3.63	575,000	$2,089,581
6	Cap vegetation soil placement.	CY	$12.57	4,033	$50,692
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$117,093
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	20	$120,364
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$386,896
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$3,192,165**
30 YEAR POST CLOSURE					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	30	$219,630
2	Cap and vegetative cover maintenance.	Annual	$7,321	30	$219,630
3	Drainage and erosion control system maintenance.	Annual	$2,928	30	$87,852
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	30	$43,926
	Well Abandonment	Well (one-time)	$879	33	$28,991
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$6,876	60	$412,539
7	Groundwater/surface water evaluations and reports.	Annual	$24,329	30	$729,876
8	Leachate control systems maintenance.	Annual	$7,177	30	$215,304
9	Leachate management, transportation, and disposal.	Annual	$35,529	30	$1,065,868
10	Leachate control systems performance evaluations and reports.	Annual	$5,856	30	$175,688
11	Facility inspections and reports.	Annual	$5,857	30	$175,704
12	Engineering and technical services.	Annual	$14,642	30	$439,260
13	Legal, financial, and administrative services.	Annual	$14,642	30	$439,260
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	30	$439,260
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$4,692,789**

Notes:
Start date for financial calculations is March 1, 2026.

Neal North Closed CCR Monofill
Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
10 YEAR POST CLOSURE (CURRENT PERMIT)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	5	$36,605
2	Cap and vegetative cover maintenance.	Annual	$7,321	5	$36,605
3	Drainage and erosion control system maintenance.	Annual	$2,928	5	$14,642
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$366	5	$1,832
	Well Abandonment	Well (one time)	$0	0	$0
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,405	10	$74,045
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	5	$89,912
8	Leachate control systems maintenance.	Annual	$0	0	$0
9	Leachate management, transportation, and disposal.	Annual	$0	0	$0
10	Leachate control systems performance evaluations and reports.	Annual	$0	0	$0
11	Facility inspections and reports.	Annual	$5,784	5	$28,920
12	Engineering and technical services.	Annual	$6,106	5	$30,529
13	Legal, financial, and administrative services.	Annual	$6,106	5	$30,529
14	Financial assurance, accounting, audits, and reports.	Annual	$6,106	5	$30,529
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$374,148**

Notes:
Start date for financial calculations is March 1, 2026.

Neal South CCR Monofill
ARO Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
30 YEAR POST CLOSURE					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	23	$168,383
2	Cap and vegetative cover maintenance.	Annual	$7,321	23	$168,383
3	Drainage and erosion control system maintenance.	Annual	$2,928	23	$67,353
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	23	$33,677
	Well Abandonment	Well (one-time)	$865	63	$54,475
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$21,156	46	$973,169
7	Groundwater/surface water evaluations and reports.	Annual	$19,040	23	$437,926
8	Leachate control systems maintenance (abandon).	Lump (once)	$2,514	1	$2,514
9	Leachate management, transportation, and disposal.	Annual	$5,027	3	$15,082
10	Leachate control systems performance evaluations and reports.	Annual	$1,309	3	$3,927
11	Facility inspections and reports.	Annual	$5,857	23	$134,706
12	Engineering and technical services.	Annual	$14,642	23	$336,766
13	Legal, financial, and administrative services.	Annual	$14,642	23	$336,766
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	23	$336,766
15	Corrective measures for groundwater.				
	Additional delineation, assessement, and corrective measure	Lump (once)	$60,000	1	$60,000
	Additional annual monitoring and reporting	Annual	$34,610	5	$173,050
			Post-Closure Subtotal		**$3,302,942**

Notes:
Start date for financial calculations is March 1, 2026.

Louisa Generating Station West (Closed) CCR Monofill
ARO Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
30 YEAR POST CLOSURE					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	26	$190,346
2	Cap and vegetative cover maintenance.	Annual	$7,321	26	$190,346
3	Drainage and erosion control system maintenance.	Annual	$2,928	26	$76,138
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	26	$38,069
	Well Abandonment	Well (one-time)	$865	8	$6,917
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$6,876	52	$357,534
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	26	$467,544
8	Leachate control systems maintenance.	Annual	$0	26	$0
9	Leachate management, transportation, and disposal.	Annual	$0	26	$0
10	Leachate control systems performance evaluations and reports.	Annual	$0	26	$0
11	Facility inspections and reports.	Annual	$5,857	26	$152,277
12	Engineering and technical services.	Annual	$14,642	26	$380,692
13	Legal, financial, and administrative services.	Annual	$14,642	26	$380,692
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	26	$380,692
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$2,621,247**

Notes:
Start date for financial calculations is March 1, 2026.

Louisa Generating Station East (Active) CCR Monofill
ARO Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure (C/PC) Plan document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$11.11	5,000	$55,572
	Coal Combustion Residue (CCR) Grading	CY	$4.28	3,000	$12,830
3	Drainage control culverts, piping, and structures.	Lump	$52,355	0	$0
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap construction.	CY	$13.83	10,000	$138,251
	60-mil HDPE and drainage Layer	SF	$4.27	184,000	$786,426
6	Cap vegetation soil placement.	CY	$17.31	7,000	$121,181
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$55,713
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	5	$30,091
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$180,010
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$1,606,033**
30 YEAR POST CLOSURE					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	30	$219,630
2	Cap and vegetative cover maintenance.	Annual	$7,321	30	$219,630
3	Drainage and erosion control system maintenance.	Annual	$2,928	30	$87,852
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	30	$43,926
	Well Abandonment	Well (one-time)	$865	15	$12,970
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,933	60	$476,006
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	30	$539,474
8	Leachate control systems maintenance.	Annual	$6,422	30	$192,671
9	Leachate management, transportation, and disposal.	Annual	$19,633	30	$588,995
10	Leachate control systems performance evaluations and reports.	Annual	$3,853	30	$115,603
11	Facility inspections and reports.	Annual	$5,857	30	$175,704
12	Engineering and technical services.	Annual	$14,642	30	$439,260
13	Legal, financial, and administrative services.	Annual	$14,642	30	$439,260
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	30	$439,260
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$3,990,241**

Notes:
Start date for financial calculations is March 1, 2026.

Walter Scott, Jr. Energy Center CCR Monofill
ARO Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
CLOSURE					
1	Closure and Post-Closure (C/PC) Plan document revisions.				
	C/PC Plan, Hydrologic Monitoring System Plan (HMSP)	Lump	$58,568	1	$58,568
	Survey	Lump	$17,570	1	$17,570
2	Site preparation, earthwork, and final grading.				
	Grading	CY	$9.52	5,000	$47,586
	Coal Combustion Residue (CCR) Grading	CY	$4.28	5,000	$21,383
3	Drainage control culverts, piping, and structures.	Lump	$0	0	$0
4	Erosion control structures, sediment ponds, and terraces.	Lump	$0	0	$0
5	Final cap construction.	acres	$263,933	30	$7,917,989
6	Cap vegetation soil placement (included line 5).				
	Mobilization/Appurtenant Work (percent of earthwork)	Percent	5%	1	$399,348
7	Cap seeding, mulching, and fertilization.	Acre	$6,018	35	$210,638
8	Monitoring well and piezometer modifications.	Lump	$0	0	$0
9	Leachate system cleanout and extraction well modifications.	Lump	$0	0	$0
10	Monitoring well installations and abandonments.	Lump	$0	0	$0
11	Facility modifications to effect closed status.	Lump	$3,401	1	$3,401
12	Engineering and technical services (percent of earthwork).	Percent	15%	1	$1,289,542
13	Legal, financial, and administrative services.	Lump	$73,210	1	$73,210
14	Closure compliance certifications and documentation.	Lump	$73,210	1	$73,210
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Closure Subtotal		**$10,112,446**
30 YEAR POST CLOSURE					
1	General site facilities, access roads, and fencing maintenance.	Annual	$7,321	30	$219,630
2	Cap and vegetative cover maintenance.	Annual	$7,321	30	$219,630
3	Drainage and erosion control system maintenance.	Annual	$2,928	30	$87,852
4	Groundwater to waste separation systems maintenance.	Annual	$0	0	$0
5	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	30	$43,926
	Well Abandonment	Well (one-time)	$879	32	$28,113
6	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,933	60	$476,006
7	Groundwater/surface water evaluations and reports.	Annual	$17,982	30	$539,474
8	Leachate control systems maintenance.	Annual	$7,099	30	$212,962
9	Leachate management, transportation, and disposal.	Annual	$446,886	30	$13,406,589
10	Leachate control systems performance evaluations and reports.	Annual	$5,856	30	$175,688
11	Facility inspections and reports.	Annual	$5,857	30	$175,704
12	Engineering and technical services.	Annual	$14,642	30	$439,260
13	Legal, financial, and administrative services.	Annual	$14,642	30	$439,260
14	Financial assurance, accounting, audits, and reports.	Annual	$14,642	30	$439,260
15	Corrective measures for groundwater.	Lump	$0	0	$0
			Post-Closure Subtotal		**$16,903,353**

Notes:
Start date for financial calculations is March 1, 2026.

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Des Moines, Iowa 50322-7905
United States
ghd.com

Our reference: 12574984-LTR-15

February 27, 2026

Mr. Josh Mohr
Environmental Director
MidAmerican Energy Company
4299 Northwest Urbandale Drive
Urbandale, Iowa 50322

Coal Combustion Residual Impoundments
Closure and Post-Closure Cost Estimates for Permitting

Dear Mr. Mohr:

1. Introduction and Certification

GHD prepared this letter and attachments to provide MidAmerican Energy Company (MidAmerican) with cost estimates for closure and post-closure of inactive coal combustion residuals (CCR) impoundments (Impoundments) in accordance with the Financial Assurance requirements of Chapter 567—103.3, Iowa Administrative Code (IAC). These cost estimates address the Louisa Generating Station (LGS) Bottom Ash Impoundment (Permit No. 70-SDP-23-18C), Walter Scott, Jr. Energy Center (WSEC) North-South Impoundment in Council Bluffs, Iowa (Permit #78-SDP-33-16C) and Impoundments 1, 2, 3A, and 3B at the George Neal Energy Center - North in Salix, Iowa (Neal North, Permit #97-SDP-22-16C). An inflation factor of 1.033 to unit prices for post-closure care.

Significant changes from the 2026 evaluations include:

– No significant changes were applied in 2026.

LICENSED PROFESSIONAL ENGINEER JUSTIN SIMON 23766 IOWA	**I hereby certify that this engineering document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.** **Justin Simon, P.E.** — 2-27-2026 **Date** **License Number:** 23766 **My license renewal date is:** December 31, 2027 **Pages or sheets covered by this seal:** Entire Document

1.1 Estimate Structure

General information about the current and projected conditions at the Impoundments is provided in Section 2. Details in this letter are organized to include the components listed in subparagraphs 567-103.3(3)c(6) and 103.3(4)c(6), IAC. For each of the components listed, information is provided in Sections 3 and 4 of this letter to support the estimate.

1.2 Estimate Basis

These cost estimates were prepared to address closure and post-closure care of the Impoundments in accordance with permit documents. The estimates are to be revised by MidAmerican annually to allow for inflation. At the time of a Permit Amendment, the cost estimates are to be revised. Changes to closure, closure permits, state or federal requirements, or post-closure experiences may affect the future cost estimates.

GHD prepared the estimates using several sources of data, including bid information for earthwork projects; verbal prices received from service providers; industry standard values; vendor price lists, and projections for engineering or design services. The cost estimates are provided in 2026 dollars and are summarized in Table 1; supporting data are provided in Attachment A.

2. Site Conditions

2.1 Neal North Impoundments 1, 2, 3A, and 3B

An updated closure permit was issued by the IDNR on February 18, 2020 that incorporated consolidation of CCR from Impoundments 1, 2, 3A, and 3B. Impoundments 1, 2, and 3A were originally closed in 2016 and 2017; however, the revised closure permit reset the post-closure timeline. Removal of CCR from Impoundments 1, 2, 3A, and 3B and consolidation of the material above the high-water table level within the footprint of Impoundment 3B was completed in 2022. The post-closure period was initiated in 2023.

A portion of Impoundment 1 was previously closed by removal of CCR and a leachate pond and process water pond were constructed in the space. The leachate and process water ponds are not included in these closure estimates because they are not part of the CCR Impoundment system.

2.2 WSEC North-South Impoundment

The WSEC North-South Impoundment includes approximately 276 acres where the presence of CCR was confirmed. Investigation of other dry portions of the impoundment footprints confirmed the absence of CCR. The impoundments are separated by Pony Creek. To the west of the North Impoundment is the Mosquito Creek levee. The other surrounding perimeter are embankments supporting local access roads. The completed closure plan included removal and consolidation of CCR from potentially saturated conditions. The recovered CCR and dry-area CCR were consolidated and covered with a 40-mil linear low-density polyethylene (LLDPE) liner and earthen protective surface. The south portion of the North-South Impoundment was closed by removal; CCR was moved to the consolidation and cover system north of Pony Creek.

Closure construction was initiated in 2019 and the construction work was completed in 2023. Final documentation and reporting work was completed in 2024 which is considered the first year of the post-closure period.

2.3 LGS Impoundment

The LGS Impoundment formerly consisted of an approximately 30-acre bottom ash impoundment and a 4-acre polishing basin. The polishing basin was removed from service in 2017 and CCR and the underlying liner material were excavated to complete closure by removal. In 2018, closure construction on the LGS bottom ash impoundment was initiated, including grading of CCR and development of closure support structures like drainage channels and a stormwater pond. Closure was completed in 2020 and the post-closure period effectively started in 2021.

3. Closure Costs

Applicable required components of the closure cost estimates listed in subparagraph 567—103.3(3)c(6), IAC. Closure work at impoundments is complete and the post-closure period started, therefore, no closure costs are included in this estimate.

4. Post-Closure Costs

The applicable components of the post-closure cost estimates listed in subparagraph 567—103.3(4)c(6), IAC are presented below. The post-closure period is 30 years.

The post-closure period for the:

- LGS Impoundment post-closure period started in 2021; there are 25 years remaining of post-closure care, including 2026, The closure permit was issued in 2018, but amended after completion of the closure activities in 2021. The closure permit expiration date is May 1, 2048 (Doc #92182), but the 30-year post-closure period ends February 1, 2051 based on the date of the permit amendment (Doc #99649) recognizing completion of closure activities.
- Neal North Impoundments started in 2024; there are 27 years remaining of post-closure care, including 2026, The closure permit expires April 26, 2053 (Doc# 106466).
- The post-closure period for the WSEC North-South Impoundment started in 2025; there are 29 years remaining of post-closure area, including 2026. The closure permit expires September 16, 2054 (Doc# 112697).

4.1 General Site Facilities, Access Roads, and Fencing Maintenance

During the post-closure period, site access roads must be maintained to permit cover system maintenance. Site control through fencing must also be maintained. The amount of maintenance required will vary from year to year and is dependent on weather and adjacent site activities. A maintenance allowance was allotted for each year of the post-closure period; however, the actual annual maintenance activities and costs are expected to vary.

4.2 Cap and Vegetative Cover Maintenance

Erosion of the cover system must be monitored during the post-closure period and any damage repaired. An allowance was made for annual repair; however, the scope of maintenance activities will be highly dependent on site conditions and activities. This item includes mowing the vegetated cap.

4.3 Drainage and Erosion Control System Maintenance

Maintenance of a drainage and erosion control system may include removing soil or vegetation from drainage ways, replacing riprap, or other erosion control methods. As with other maintenance activities, the actual scope of required work will be highly variable and a maintenance allowance was made in the cost estimates.

4.4 Groundwater Monitoring Systems Performance Evaluations

Maintenance of monitoring wells may include installation of replacement wells, replacement of protective casings, grading around wells, or surveying. To account for the possibility of these maintenance activities, an annual allowance was made in the cost estimate.

At the conclusion of the post-closure period, monitoring wells will be abandoned. Costs for well abandonment at the end of the post-closure period are included in this component of the cost estimate. At WSEC and Neal North, it is assumed monitoring wells that are likely to continue to support Monofill monitoring activities will remain after the impoundment post-closure period ends. Two additional monitoring wells were added for the WSEC impoundments in the current estimate.

4.5 Groundwater and Surface Water Quality Monitoring and Reports

Semiannual groundwater sampling and annual reporting are required during the post-closure period. This estimate assumes the current monitoring network and protocols remain in effect. There is no surface water monitoring included in the current monitoring plans at any of the sites. Neal North Impoundments 1, 2, and 3A and WSEC South Impoundment were closed by removal and may be removed from the monitoring plan prior to 30 years of post-closure monitoring, however, the LGS impoundment and the consolidated CCR in Neal North Impoundment 3B and WSEC North impoundments will be subject to a 30-year post closure monitoring period.

4.6 Facility Inspections and Reports

An annual engineering inspection of the completed cap is required. The engineering inspection will be documented in a report to the IDNR. The inspection typically consists of visual observation of the cover and noted apparent deficiencies in the cap thickness, erosion patterns, or areas where vegetation is not established.

4.7 Engineering and Technical Services

An annual allowance for engineering and technical services was made in the cost estimate. The scope of engineering services during the post-closure period will likely be limited to support for any permit modifications or changes to erosion control features. Additional services such as groundwater sampling or the annual engineering inspection are included in other components of the cost estimate.

4.8 Legal, Financial, and Administrative Services

The scope of third-party legal, financial, and administrative services required to complete closure activities will vary by the entity. To account for these costs, a uniform value was applied to each facility.

4.9 Financial Assurance, Accounting, Audits, and Reports

The costs of third-party financial assurance, accounting, audits, and reports are difficult to assess because the requirements may vary from entity to entity. To account for these costs, a uniform value was applied for each year of the post-closure period.

4.10 Corrective Measures

Under the federal CCR Rule, certain groundwater conditions may require implementation of corrective measures. Corrective measures are underway at the Neal North impoundments and identified as required for the WSEC North-South Impoundment. The final scope of these measures is not determined; costs are estimated for initial delineation and assessment activities (where not already completed) and additional groundwater monitoring and reporting for a period of five years. Some corrective measures have been selected for the Neal North impoundments, but the selection phase has not been reached for WSEC North-South Impoundment.

Regards

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JS/ls/LTR-15/S4

Encl.: Table 1 - Summary of Closure/Post-Closure Cost Estimates
Attachment A - Post-Closure Cost Estimates

Copy to: Josh Love, MidAmerican
Michael Alowitz, GHD

Tables

Table 1

Summary of Closure/Post-Closure Cost Estimates
MidAmerican Energy Company
Inactive CCR Impoundments
February 2026

	Neal North	WSEC	LGS	TOTAL
Total Dollars				
Current Closure Cost	Closed	Closed	Closed	
Current Post-Closure Cost	$4,434,000	$5,673,000	$2,993,000	
Total (All Facilities)				**$13,100,000**

Notes:
Supporting calculations provided on additional sheets.
WSEC - Walter Scott, Jr. Energy Center, closure completed in 2024 which is considered the start of the closure period.

LGS - Louisa Generating Station, closure completed in 2020 with 2021 considered the start of the closure period.
Neal North closure completed in 2022 with 2023 considered the start of the closure period.

Attachments

Attachment A

Post-Closure Cost Estimates

Neal North Impoundments
Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
30 YEAR POST CLOSURE					
1	General site facilities, access roads, and fencing maintenance.	Annual	$12,845	27	$346,808
2	Cap and vegetative cover maintenance.	Annual	$15,414	27	$416,170
3	Drainage and erosion control system maintenance.	Annual	$9,120	27	$246,234
4	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	27	$39,533
	Well Abandonment	Well (one time)	$868	37	$32,101
5	Groundwater/surface water quality gauging and sampling.	Semiannual	$14,809	54	$799,691
6	Groundwater/surface water evaluations and reports.	Annual	$35,965	27	$971,053
7	Facility inspections and reports.	Annual	$5,879	27	$158,727
8	Engineering and technical services.	Annual	$14,642	27	$395,334
9	Legal, financial, and administrative services.	Annual	$14,642	27	$395,334
10	Financial assurance, accounting, audits, and reports.	Annual	$14,642	27	$395,334
11	Corrective Measures				
	Delineation and assessment	Lump	$79,334	1	$79,334
	Additional annual monitoring and reporting	Annual	$31,734	5	$158,669
			Post-Closure Subtotal		**$4,434,321**

Notes:
Start date for financial calculations is March 1, 2026.

Walter Scott, Jr. Energy Center North-South Impoundment
Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
30 YEAR POST CLOSURE (FEDERAL CCR RULE)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$12,845	28	$359,653
2	Cap and vegetative cover maintenance.	Annual	$24,045	28	$673,270
3	Drainage and erosion control system maintenance.	Annual	$15,414	28	$431,583
4	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,464	28	$40,998
	Well Abandonment	Well (one time)	$868	24	$20,822
5	Groundwater/surface water quality gauging and sampling.	Semiannual	$22,214	56	$1,243,963
6	Groundwater/surface water evaluations and reports.	Annual	$27,503	28	$770,073
7	Facility inspections and reports.	Annual	$11,714	28	$327,981
8	Engineering and technical services.	Annual	$21,963	28	$614,964
9	Legal, financial, and administrative services.	Annual	$14,642	28	$409,976
10	Financial assurance, accounting, audits, and reports.	Annual	$14,642	28	$409,976
11	Corrective Measures				
	Delineation and assessment	Lump	$211,558	1	$211,558
	Additional annual monitoring and reporting	Annual	$31,734	5	$158,669
			Post-Closure Subtotal		**$5,673,485**

Notes:
Start date for financial calculations is March 1, 2026.

Louisa Generating Station Bottom Ash Impoundment
Closure and Post-Closure Cost Estimate
February 2026

		Unit	Unit Cost	Quantity	Total
30 YEAR POST CLOSURE (FEDERAL CCR RULE)					
1	General site facilities, access roads, and fencing maintenance.	Annual	$12,685	25	$317,123
2	Cap and vegetative cover maintenance.	Annual	$11,416	25	$285,410
3	Drainage and erosion control system maintenance.	Annual	$3,805	25	$95,137
4	Groundwater and surface water monitoring systems maintenance.				
	Annual Allowance for Repairs	Annual	$1,446	25	$36,150
	Well Abandonment	Well (one time)	$868	13	$11,279
5	Groundwater/surface water quality gauging and sampling.	Semiannual	$7,933	50	$396,672
6	Groundwater/surface water evaluations and reports.	Annual	$24,329	25	$608,230
7	Facility inspections and reports.	Annual	$5,784	25	$144,598
8	Engineering and technical services.	Annual	$14,642	25	$366,050
9	Legal, financial, and administrative services.	Annual	$14,642	25	$366,050
10	Financial assurance, accounting, audits, and reports.	Annual	$14,642	25	$366,050
11	Corrective Measures				
	Delineation and assessment	Lump	$0	0	$0
	Additional annual monitoring and reporting	Annual	$0	0	$0
			Post-Closure Subtotal		**$2,992,748**

Notes:
Start date for financial calculations is March 1, 2026.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2025

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from ______ to _______

Commission File Number	Exact name of registrant as specified in its charter; State or other jurisdiction of incorporation or organization	IRS Employer Identification No.
001-14881	**BERKSHIRE HATHAWAY ENERGY COMPANY** **(An Iowa Corporation)** **1615 Locust Street** **Des Moines, Iowa 50309-3037** **515-242-4300**	**94-2213782**
001-05152	**PACIFICORP** **(An Oregon Corporation)** **825 N.E. Multnomah Street** **Portland, Oregon 97232** **888-221-7070**	**93-0246090**
333-90553	**MIDAMERICAN FUNDING, LLC** **(An Iowa Limited Liability Company)** **1615 Locust Street** **Des Moines, Iowa 50309-3037** **515-242-4300**	**47-0819200**
333-15387	**MIDAMERICAN ENERGY COMPANY** **(An Iowa Corporation)** **1615 Locust Street** **Des Moines, Iowa 50309-3037** **515-242-4300**	**42-1425214**
000-52378	**NEVADA POWER COMPANY** **(A Nevada Corporation)** **6226 West Sahara Avenue** **Las Vegas, Nevada 89146** **702-402-5000**	**88-0420104**
000-00508	**SIERRA PACIFIC POWER COMPANY** **(A Nevada Corporation)** **6100 Neil Road** **Reno, Nevada 89511** **775-834-4011**	**88-0044418**
001-37591	**EASTERN ENERGY GAS HOLDINGS, LLC** **(A Virginia Limited Liability Company)** **10700 Energy Way** **Glen Allen, Virginia 23060** **804-613-5100**	**46-3639580**
333-266049	**EASTERN GAS TRANSMISSION AND STORAGE, INC.** **(A Delaware Corporation)** **10700 Energy Way** **Glen Allen, Virginia 23060** **804-613-5100**	**55-0629203**

Registrant	Securities registered pursuant to Section 12(b) of the Act:
BERKSHIRE HATHAWAY ENERGY COMPANY	None
PACIFICORP	None
MIDAMERICAN FUNDING, LLC	None
MIDAMERICAN ENERGY COMPANY	None
NEVADA POWER COMPANY	None
SIERRA PACIFIC POWER COMPANY	None
EASTERN ENERGY GAS HOLDINGS, LLC	None
EASTERN GAS TRANSMISSION AND STORAGE, INC.	None

Registrant	Name of exchange on which registered:
BERKSHIRE HATHAWAY ENERGY COMPANY	None
PACIFICORP	None
MIDAMERICAN FUNDING, LLC	None
MIDAMERICAN ENERGY COMPANY	None
NEVADA POWER COMPANY	None
SIERRA PACIFIC POWER COMPANY	None
EASTERN ENERGY GAS HOLDINGS, LLC	None
EASTERN GAS TRANSMISSION AND STORAGE, INC.	None

Registrant	Securities registered pursuant to Section 12(g) of the Act:
BERKSHIRE HATHAWAY ENERGY COMPANY	None
PACIFICORP	None
MIDAMERICAN FUNDING, LLC	None
MIDAMERICAN ENERGY COMPANY	None
NEVADA POWER COMPANY	Common Stock, $1.00 stated value
SIERRA PACIFIC POWER COMPANY	Common Stock, $3.75 par value
EASTERN ENERGY GAS HOLDINGS, LLC	None
EASTERN GAS TRANSMISSION AND STORAGE, INC.	None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Registrant	Yes	No
BERKSHIRE HATHAWAY ENERGY COMPANY	☐	☒
PACIFICORP	☒	☐
MIDAMERICAN FUNDING, LLC	☐	☒
MIDAMERICAN ENERGY COMPANY	☒	☐
NEVADA POWER COMPANY	☐	☒
SIERRA PACIFIC POWER COMPANY	☐	☒
EASTERN ENERGY GAS HOLDINGS, LLC	☒	☐
EASTERN GAS TRANSMISSION AND STORAGE, INC.	☐	☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Registrant	Yes	No
BERKSHIRE HATHAWAY ENERGY COMPANY	☐	☒
PACIFICORP	☐	☒
MIDAMERICAN FUNDING, LLC	☒	☐
MIDAMERICAN ENERGY COMPANY	☐	☒
NEVADA POWER COMPANY	☐	☒
SIERRA PACIFIC POWER COMPANY	☐	☒
EASTERN ENERGY GAS HOLDINGS, LLC	☐	☒
EASTERN GAS TRANSMISSION AND STORAGE, INC.	☐	☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Registrant	Yes	No
BERKSHIRE HATHAWAY ENERGY COMPANY	☒	☐
PACIFICORP	☒	☐
MIDAMERICAN FUNDING, LLC	☐	☒
MIDAMERICAN ENERGY COMPANY	☒	☐
NEVADA POWER COMPANY	☒	☐
SIERRA PACIFIC POWER COMPANY	☒	☐
EASTERN ENERGY GAS HOLDINGS, LLC	☒	☐
EASTERN GAS TRANSMISSION AND STORAGE, INC.	☒	☐

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Registrant	Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
BERKSHIRE HATHAWAY ENERGY COMPANY	☐	☐	☒	☐	☐
PACIFICORP	☐	☐	☒	☐	☐
MIDAMERICAN FUNDING, LLC	☐	☐	☒	☐	☐
MIDAMERICAN ENERGY COMPANY	☐	☐	☒	☐	☐
NEVADA POWER COMPANY	☐	☐	☒	☐	☐
SIERRA PACIFIC POWER COMPANY	☐	☐	☒	☐	☐
EASTERN ENERGY GAS HOLDINGS, LLC	☐	☐	☒	☐	☐
EASTERN GAS TRANSMISSION AND STORAGE, INC.	☐	☐	☒	☐	☐

If an emerging growth company, indicate by check mark if the registrants have elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrants are a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

All shares of outstanding common stock of Berkshire Hathaway Energy Company are held by its parent company, Berkshire Hathaway Inc. As of January 31, 2026, 1 share of common stock, no par value, was outstanding.

All shares of outstanding common stock of PacifiCorp are indirectly held by Berkshire Hathaway Energy Company. As of January 31, 2026, 357,060,915 shares of common stock, no par value, were outstanding.

All of the member's equity of MidAmerican Funding, LLC is held by its parent company, Berkshire Hathaway Energy Company, as of January 31, 2026.

All shares of outstanding common stock of MidAmerican Energy Company are held by its parent company, MHC Inc., which is a direct, wholly owned subsidiary of MidAmerican Funding, LLC. As of January 31, 2026, 70,980,203 shares of common stock, no par value, were outstanding.

All shares of outstanding common stock of Nevada Power Company are held by its parent company, NV Energy, Inc., which is an indirect, wholly owned subsidiary of Berkshire Hathaway Energy Company. As of January 31, 2026, 1,000 shares of common stock, $1.00 stated value, were outstanding.

All shares of outstanding common stock of Sierra Pacific Power Company are held by its parent company, NV Energy, Inc. As of January 31, 2026, 1,000 shares of common stock, $3.75 par value, were outstanding.

All of the member's equity of Eastern Energy Gas Holdings, LLC is held indirectly by its parent company, Berkshire Hathaway Energy Company, as of January 31, 2026.

All shares of outstanding common stock of Eastern Gas Transmission and Storage, Inc. are held by its parent company, Eastern Energy Gas Holdings, LLC, which is an indirect, wholly owned subsidiary of Berkshire Hathaway Energy Company. As of January 31, 2026, 60,101 shares of common stock, $10,000 par value, were outstanding.

Berkshire Hathaway Energy Company, PacifiCorp, MidAmerican Funding, LLC, MidAmerican Energy Company, Nevada Power Company, Sierra Pacific Power Company, Eastern Energy Gas Holdings, LLC and Eastern Gas Transmission and Storage, Inc. meet the conditions set forth in General Instruction I(1)(a) and (b) of Form 10-K and are therefore filing portions of this Form 10-K with the reduced disclosure format specified in General Instruction I(2) of Form 10-K.

This combined Form 10-K is separately filed by Berkshire Hathaway Energy Company, PacifiCorp, MidAmerican Funding, LLC, MidAmerican Energy Company, Nevada Power Company, Sierra Pacific Power Company, Eastern Energy Gas Holdings, LLC and Eastern Gas Transmission and Storage, Inc. Information contained herein relating to any individual company is filed by such company on its own behalf. Each company makes no representation as to information relating to the other companies.

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PART I

PART II

PART III

PART IV

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 Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can typically be identified by the use of forward-looking words, such as "will," "may," "could," "project," "believe," "anticipate," "expect," "estimate," "continue," "intend," "potential," "plan," "forecast" and similar terms. These statements are based upon the relevant Registrant's current intentions, estimates, assumptions, expectations and beliefs and are subject to risks, uncertainties and other important factors. Many of these factors are outside the control of each Registrant and could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include, among others:

- general economic, political and business conditions, as well as changes in, and compliance with, laws and regulations, including trade policy, tariffs and income tax reform, initiatives regarding deregulation and restructuring of the utility industry and reliability and safety standards, affecting the respective Registrant's operations or related industries;
- changes in, and compliance with, environmental laws, regulations, decisions and policies, whether directed towards protection of environmental resources, present and future climate considerations or social justice concerns that could, among other items, increase operating and capital costs, reduce facility output, accelerate or decelerate facility retirements or delay facility construction or acquisition;
- the outcome of regulatory rate reviews and other proceedings conducted by regulatory agencies or other governmental and legal bodies and the respective Registrant's ability to recover costs through rates in a timely manner or at all;
- changes in economic, industry, competition or weather conditions, as well as demographic trends, new technologies and various conservation, energy efficiency and private generation measures and programs, that could affect customer growth and usage, electricity and natural gas supply or the respective Registrant's ability to obtain long-term contracts with customers and suppliers;
- performance, availability and ongoing operation of the respective Registrant's facilities, including facilities not operated by the Registrants, due to the impacts of market conditions, outages and associated repairs, transmission constraints, weather, including wind, solar and hydroelectric conditions, and operating conditions;
- the effects of catastrophic and other unforeseen events, which may be caused by factors beyond the control of each respective Registrant or by a breakdown or failure of the Registrants' operating assets, including severe storms, floods, fires, extreme temperature events, wind events, earthquakes, explosions, landslides, electromagnetic pulses, mining incidents, costly litigation, wars, terrorism, pandemics, embargoes, and cyber security attacks, data security breaches, disruptions, or other malicious acts;
- the risks and uncertainties associated with wildfires that have occurred, are occurring or may occur in the respective Registrant's service territory; the damage caused by such wildfires; the extent of the respective Registrant's liability in connection with such wildfires (including the risk that the respective Registrant may be found liable for damages regardless of fault); investigations into such wildfires; the outcomes of any legal proceedings, demands or similar actions initiated against the respective Registrant; the risk that the respective Registrant is not able to recover losses from insurance or through rates; and the effect of such wildfires, investigations and legal proceedings on the respective Registrant's financial condition and reputation;
- the outcomes of legal or other actions, including the effects of amounts to be paid to complainants as a result of settlements or final legal determinations, bonding requirements related to legal judgments that are being appealed and the impacts of CMO No. 11, including potential collateral triggers, associated with the Wildfires, which could have a material adverse effect on PacifiCorp's financial condition and could limit PacifiCorp's ability to access capital on terms commensurate with historical transactions or at all and could impact PacifiCorp's liquidity, cash flows and capital expenditure plans;
- the respective Registrant's ability to reduce wildfire threats and improve safety, including the ability to comply with the targets and metrics outlined in its wildfire prevention plans; to retain or contract for the workforce necessary to execute its wildfire prevention plans; the effectiveness of its system hardening; ability to achieve vegetation management targets; and the cost of these programs and the timing and outcome of any proceeding to recover such costs through rates;
- the ability to economically obtain insurance coverage, or any insurance coverage at all, sufficient to cover losses arising from catastrophic events, such as wildfires;
- a high degree of variance between actual and forecasted load or generation that could impact a Registrant's hedging strategy and the cost of balancing its generation resources with its retail load obligations;

- changes in prices, availability and demand for wholesale electricity, coal, natural gas, other fuel sources and fuel transportation that could have a significant impact on generating capacity and energy costs;
- the financial condition, creditworthiness and operational stability of the respective Registrant's significant customers and suppliers;
- changes in business strategy or development plans;
- availability, terms and deployment of capital, including reductions in demand for investment-grade commercial paper, debt securities and other sources of debt financing and volatility in interest rates and credit spreads;
- changes in the respective Registrant's credit ratings, changes in rating methodology, placement on negative outlook or credit watch and downgrades to below investment grade;
- risks relating to nuclear generation, including unique operational, closure and decommissioning risks;
- hydroelectric conditions and the cost, feasibility and eventual outcome of hydroelectric relicensing proceedings;
- the impact of certain contracts used to mitigate or manage volume, price and interest rate risk, including increased collateral requirements, and changes in commodity prices, interest rates and other conditions that affect the fair value of certain contracts;
- the impact of inflation on costs and the ability of the respective Registrants to recover such costs in regulated rates;
- fluctuations in foreign currency exchange rates, primarily the British pound and the Canadian dollar;
- increases in employee healthcare costs;
- the impact of investment performance, certain participant elections such as lump sum distributions and changes in interest rates, legislation, healthcare cost trends, mortality, morbidity on pension and other postretirement benefits expense and funding requirements;
- changes in the residential real estate brokerage, mortgage and franchising industries, regulations that could affect brokerage, mortgage and franchising transactions and the outcomes of legal or other actions and the effects of amounts to be paid to complainants as a result of settlements or final legal determinations;
- the ability to successfully integrate future acquired operations into a Registrant's business;
- the impact of supply chain disruptions and workforce availability on the respective Registrant's ongoing operations and its ability to timely complete construction projects;
- unanticipated construction delays, changes in costs, receipt of required permits and authorizations, ability to fund capital projects and other factors that could affect future facilities and infrastructure additions;
- the availability and price of natural gas and LNG in applicable geographic regions and demand for natural gas and LNG supply;
- the impact of new accounting guidance or changes in current accounting estimates and assumptions on the financial results of the respective Registrants; and
- other business or investment considerations that may be disclosed from time to time in the Registrants' filings with the SEC or in other publicly disseminated written documents.

Further details of the potential risks and uncertainties affecting the Registrants are described in the Registrants' filings with the SEC, including Item 1A and other discussions contained in this Form 10-K. Each Registrant 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 factors should not be construed as exclusive.

MIDAMERICAN FUNDING AND MIDAMERICAN ENERGY

General

MidAmerican Funding and MHC

MidAmerican Funding, a wholly owned subsidiary of BHE, is a holding company headquartered in Iowa that holds all of the outstanding common stock of MHC Inc. ("MHC"), which is a holding company that holds all of the common stock of MidAmerican Energy and Midwest Capital Group, Inc. ("Midwest Capital"). MidAmerican Funding and MidAmerican Energy are indirect consolidated subsidiaries of Berkshire Hathaway. MidAmerican Funding conducts no business other than activities related to its debt securities and investment in MHC. MHC conducts no business other than its investments in its subsidiaries. MidAmerican Energy is a substantial portion of MidAmerican Funding's and MHC's assets, revenue and earnings.

MidAmerican Funding was formed as a limited liability company under the laws of the state of Iowa in 1999. Its principal executive offices are located at 1615 Locust Street, Des Moines, Iowa 50309-3037 and its telephone number is (515) 242-4300.

MidAmerican Energy

MidAmerican Energy, an indirect wholly owned subsidiary of BHE, is a U.S. regulated electric and natural gas utility company headquartered in Iowa that serves 0.8 million retail electric customers in portions of Iowa, Illinois and South Dakota and 0.8 million retail and transportation natural gas customers in portions of Iowa, South Dakota, Illinois and Nebraska. MidAmerican Energy is principally engaged in the business of generating, transmitting, distributing and selling electricity and in distributing, selling and transporting natural gas. MidAmerican Energy's service territory covers approximately 11,000 square miles. MidAmerican Energy has a diverse customer base consisting of urban and rural residential customers and a variety of commercial and industrial customers. Principal industries served by MidAmerican Energy include electronic data storage; processing and sales of food products; manufacturing, processing and fabrication of primary metals, farm and other non-electrical machinery; cement and gypsum products; and government. In addition to retail sales and natural gas transportation, MidAmerican Energy sells electricity principally to markets operated by RTOs and natural gas to other utilities and market participants on a wholesale basis. MidAmerican Energy is a transmission-owning member of the MISO and participates in its capacity, energy and ancillary services markets.

MidAmerican Energy's regulated electric and natural gas operations are conducted under numerous franchise agreements, certificates, permits and licenses obtained from federal, state and local authorities. The franchise agreements, with various expiration dates, are typically for 20- to 25-year terms. Several of these franchise agreements give either party the right to seek amendment to the franchise agreement at one, two, three or four specified times during the term. MidAmerican Energy generally has an exclusive right to serve electric customers within its service territories and, in turn, has an obligation to provide electricity service to those customers. In return, the state utility commissions have established rates on a cost-of-service basis, which are designed to allow MidAmerican Energy an opportunity to recover its costs of providing services and to earn a reasonable return on its investment. In Illinois, MidAmerican Energy's regulated retail electric customers may choose their energy supplier.

MidAmerican Energy's operating revenue derived from the following business activities for the years ended December 31 were as follows (dollars in millions):

	2025		2024		2023	
Operating revenue:						
Regulated electric	$ 3,124	80 %	$ 2,584	80 %	$ 2,673	79 %
Regulated gas	778	20	658	20	713	21
Other	5	—	9	—	7	—
Total operating revenue	$ 3,907	100 %	$ 3,251	100 %	$ 3,393	100 %

MidAmerican Energy was incorporated under the laws of the state of Iowa in 1995. Its principal executive offices are located at 1615 Locust Street, Des Moines, Iowa 50309-3037, its telephone number is (515) 242-4300 and its internet address is www.midamericanenergy.com.

Regulated Electric Operations

Customers

The GWhs and percentages of electricity sold to MidAmerican Energy's retail customers by jurisdiction for the years ended December 31 were as follows:

	2025		2024		2023	
Iowa	30,810	94 %	27,918	93 %	27,554	93 %
Illinois	1,787	5	1,802	6	1,827	6
South Dakota	316	1	316	1	294	1
	32,913	100 %	30,036	100 %	29,675	100 %

Electricity sold to MidAmerican Energy's retail and wholesale customers by class of customer and the average number of retail customers for the years ended December 31 were as follows:

	2025		2024		2023	
GWhs sold:						
Residential	7,068	15 %	6,691	15 %	6,759	15 %
Commercial	4,064	8	3,926	9	3,992	9
Industrial	20,102	42	17,773	40	17,307	39
Other	1,679	3	1,646	4	1,617	3
Total retail	32,913	68	30,036	68	29,675	66
Wholesale	15,162	32	14,329	32	15,129	34
Total GWhs sold	48,075	100 %	44,365	100 %	44,804	100 %
Average number of retail customers (in thousands):						
Residential	717	86 %	710	86 %	703	86 %
Commercial	103	12	102	12	101	12
Industrial	2	—	2	—	2	—
Other	16	2	15	2	14	2
Total	838	100 %	829	100 %	820	100 %

Variations in weather, economic conditions and various conservation and energy efficiency measures and programs can impact customer energy requirements. Wholesale sales are primarily impacted by market prices for energy.

There are seasonal variations in MidAmerican Energy's electricity sales that are principally related to weather and the related use of electricity for air conditioning. Additionally, electricity sales are priced higher in the summer months compared to the remaining months of the year. As a result, 40% to 50% of MidAmerican Energy's regulated electric retail revenue is reported in the months of June through September.

A degree of concentration of sales exists with certain large electric retail customers. Sales to the 10 largest customers, from a variety of industries, comprised 28%, 27% and 26% of total retail electric sales in 2025, 2024 and 2023, respectively. Sales to electronic data storage customers included in the 10 largest customers comprised 24%, 23% and 20% of total retail electric sales in 2025, 2024 and 2023, respectively.

The annual hourly peak demand on MidAmerican Energy's electric system usually occurs as a result of air conditioning use during the cooling season. Peak demand represents the highest demand on a given day and at a given hour. During 2025, 2024 and 2023, MidAmerican Energy's hourly peak demand was 5,817, 5,623 and 5,851 MWs, respectively. On August 23, 2023, retail customer usage of electricity caused a new record hourly peak demand of 5,851 MWs on MidAmerican Energy's electric distribution system.

Generating Facilities and Fuel Supply

MidAmerican Energy has ownership interests in a diverse portfolio of generating facilities. The following table presents certain information regarding MidAmerican Energy's owned generating facilities as of December 31, 2025:

Generating Facility	Location	Energy Source	Year Installed / Repowered[1]	Facility Net Capacity (MWs)[2]	Net Owned Capacity (MWs)[2]
WIND:					
Ida Grove	Ida Grove, IA	Wind	2016-2019	500	500
Orient	Greenfield, IA	Wind	2018-2019	500	500
Highland	Primghar, IA	Wind	2015	500	500
Rolling Hills	Massena, IA	Wind	2011 / 2022	443	443
Beaver Creek	Ogden, IA	Wind	2017-2018	340	340
North English	Montezuma, IA	Wind	2018-2019	340	340
Palo Alto	Palo Alto, IA	Wind	2019-2020	340	340
Arbor Hill	Greenfield, IA	Wind	2018-2020	316	316
Pomeroy	Pomeroy, IA	Wind	2007-2011 / 2018-2019, 2021	286	286
Diamond Trail	Ladora, IA	Wind	2020	250	250
Lundgren	Otho, IA	Wind	2014 / 2025	250	250
O'Brien	Primghar, IA	Wind	2016	250	250
Southern Hills	Orient, IA	Wind	2020-2021	250	250
Shenandoah Hills	Shenandoah, IA	Wind	2025	214	214
Chickasaw	New Hampton, IA	Wind	2023	200	200
Century	Blairsburg, IA	Wind	2005-2008 / 2017-2018 / 2024-2025	200	200
Eclipse	Adair, IA	Wind	2012 / 2022	200	200
Plymouth	Remsen, IA	Wind	2021	200	200
Intrepid	Schaller, IA	Wind	2004-2005 / 2017 / 2025	176	176
Adair	Adair, IA	Wind	2008 / 2019-2020	175	175
Prairie	Montezuma, IA	Wind	2017-2018	169	169
Carroll	Carroll, IA	Wind	2008 / 2019	150	150
Walnut	Walnut, IA	Wind	2008 / 2019	150	150
Vienna	Gladbrook, IA	Wind	2012-2013 / 2024	150	150
Adams	Lennox, IA	Wind	2015	150	150
Wellsburg	Wellsburg, IA	Wind	2014 / 2025	139	139
Laurel	Laurel, IA	Wind	2011 / 2022	120	120
Macksburg	Macksburg, IA	Wind	2014	119	119
Contrail	Braddyville, IA	Wind	2020	110	110
Morning Light	Adair, IA	Wind	2012 / 2022-2023	100	100
Victory	Westside, IA	Wind	2006 / 2017-2018	99	99
Ivester	Wellsburg, IA	Wind	2018	90	90
Pocahontas Prairie	Pomeroy, IA	Wind	2020 / 2021	80	80
Charles City	Charles City, IA	Wind	2008 / 2018	75	75
				7,631	7,631
COAL:					
Louisa No. 1	Muscatine, IA	Coal	1983	746	657
Walter Scott, Jr. No. 3	Council Bluffs, IA	Coal	1978	709	561
Walter Scott, Jr. No. 4	Council Bluffs, IA	Coal	2007	807	481
George Neal No. 3	Sergeant Bluff, IA	Coal	1975	511	368
Ottumwa No. 1	Ottumwa, IA	Coal	1981	700	364
George Neal No. 4	Salix, IA	Coal	1979	643	261
				4,116	2,692
NATURAL GAS AND OTHER:					

Generating Facility	Location	Energy Source	Year Installed / Repowered[1]	Facility Net Capacity (MWs)[2]	Net Owned Capacity (MWs)[2]
Greater Des Moines	Pleasant Hill, IA	Gas	2003-2004	506	506
Electrifarm	Waterloo, IA	Gas or Oil	1975-1978	189	189
Pleasant Hill	Pleasant Hill, IA	Gas or Oil	1990-1994	151	151
Sycamore	Johnston, IA	Gas or Oil	1974	143	143
River Hills	Des Moines, IA	Gas	1966-1967	119	119
Coralville	Coralville, IA	Gas	1970	63	63
Moline	Moline, IL	Gas	1970	62	62
27 portable power modules	Various	Oil	2000	54	54
Parr	Charles City, IA	Gas	1969	33	33
				1,320	1,320
NUCLEAR:					
Quad Cities Nos. 1 and 2	Cordova, IL	Uranium	1972	1,822	455
SOLAR:					
Holliday Creek	Fort Dodge, IA	Solar	2022	100	100
Arbor Hill	Adair, IA	Solar	2022	24	24
Franklin	Hampton, IA	Solar	2022	7	7
Neal	Salix, IA	Solar	2022	4	4
Waterloo	Waterloo, IA	Solar	2022	3	3
Hills	Hills, IA	Solar	2022	3	3
				141	141
HYDROELECTRIC:					
Moline Unit Nos. 1-4	Moline, IL	Hydroelectric	1941	4	4
Total Available Generating Capacity				15,034	12,243
PROJECTS UNDER CONSTRUCTION:[3]					
Orient Energy Center	Adair County, IA	Gas	Est. 2028	465	465
Triangle	Johnson County, IA	Solar	Est. 2028	150	150
Mills	Mills County, IA	Solar	Est. 2026	50	50
Auburn	Sac County, IA	Solar	Est. 2027	50	50
Nodaway Valley	Page County, IA	Solar	Est. 2027	50	50
Various projects	IA	Solar	Est. 2028	500	500
				1,265	1,265
				16,299	13,508

(1) Repowered dates are associated with component replacements on existing wind-powered generating facilities commonly referred to by the IRS as repowering. IRS rules provide for re-establishment of the PTCs for an existing wind-powered generating facility upon the replacement of a significant portion of its components. If the degree of component replacement in such projects meets IRS guidelines, PTCs are re-established for 10 years beginning with the date the repowered facility is placed in-service.

(2) Facility Net Capacity represents the lesser of nominal ratings or any limitations under applicable interconnection, power purchase, or other agreements for intermittent resources and the total net dependable capability available during summer conditions for all other units. An intermittent resource's nominal rating is the manufacturer's contractually specified capability (in MWs) under specified conditions. Net Owned Capacity indicates MidAmerican Energy's ownership of Facility Net Capacity.

(3) Additional projects under construction as of December 31, 2025, include wind expansion and repowering projects of 1,238 MWs related to generating facilities already included in the table above, with Facility Net Capacity limited by applicable interconnection agreements.

The following table shows the percentages of MidAmerican Energy's total energy supplied by energy source for the years ended December 31:

	2025	2024	2023
Wind, solar and hydroelectric[(1)]	54 %	59 %	55 %
Coal	24	19	22
Nuclear	8	9	8
Natural gas	4	5	5
Total energy generated	90	92	90
Energy purchased - short-term contracts and other	9	7	9
Energy purchased - long-term contracts (renewable)[(1)]	1	1	1
	100 %	100 %	100 %

(1) All or some of the renewable energy attributes associated with generation from these sources may be: (a) used in future years to comply with RPS or other regulatory requirements, (b) sold to third parties in the form of RECs or other environmental commodities, or (c) excluded from energy purchased.

MidAmerican Energy is required to have accredited resources available for dispatch by MISO to continuously meet its customer's needs and reliably operate its electric system. The percentage of MidAmerican Energy's energy supplied by energy source varies from year to year and is subject to numerous operational and economic factors such as planned and unplanned outages; fuel commodity prices; fuel availability; fuel transportation costs; weather, including temperature, wind and sun; legislative and environmental considerations; transmission constraints; wholesale market prices of electricity and other factors. MidAmerican Energy evaluates these factors continuously in order to facilitate dispatch of its generating facilities by MISO. When factors for one energy source are less favorable, MidAmerican Energy places more reliance on other energy sources. For example, MidAmerican Energy can generate more electricity using its low cost wind-powered generating facilities when factors associated with these facilities are favorable. When factors associated with wind resources are less favorable, MidAmerican Energy must increase its reliance on more expensive generation or purchased electricity. Refer to "General Regulation" in Item 1 of this Form 10-K for a discussion of energy cost recovery by jurisdiction.

Wind

MidAmerican Energy owns more wind-powered generating capacity than any other U.S. rate-regulated electric utility and believes wind-powered generation offers a viable, economical and environmentally prudent means of supplying electricity and complying with laws and regulations. Pursuant to ratemaking principles approved by the IUC, facilities accounting for 87% of MidAmerican Energy's wind-powered generating capacity in-service at December 31, 2025, are authorized to earn a fixed rate of return on equity over their regulatory lives ranging from 10.75% to 12.3% on the depreciated cost of their original construction, which excludes the cost of later replacements, in any future Iowa rate proceeding. MidAmerican Energy's wind-powered generating facilities, including those facilities where a significant portion of the equipment was replaced, commonly referred to as repowered facilities, are eligible for federal renewable electricity PTCs for 10 years beginning with the date the facilities are placed in-service. PTCs are earned as energy from qualifying wind-powered generating facilities is produced and sold. PTCs for MidAmerican Energy's wind-powered generating facilities currently in-service began expiring in 2014, with final expiration in 2035. MidAmerican Energy has repowered 2,863 MWs of wind-powered generating facilities for which PTCs had expired and plans to repower 1,033 MWs of wind-powered generating facilities for which PTCs have expiration dates from 2024-2026.

Of the 7,854 MWs (nameplate capacity) of wind-powered generating facilities in-service, 7,651 MWs were generating PTCs at some point in 2025, including 2,863 MWs of repowered facilities. MidAmerican Energy earned PTCs from wind-powered generating facilities totaling $751 million, $761 million and $681 million in 2025, 2024 and 2023, respectively.

Coal

All the coal-fueled generating facilities operated by MidAmerican Energy are fueled by low-sulfur, sub-bituminous coal from the Powder River Basin in northeast Wyoming. MidAmerican Energy's coal supply portfolio includes multiple suppliers and mines under short-term and multi-year agreements of varying terms and quantities through 2028. MidAmerican Energy believes supplies from these sources are presently adequate and available to meet MidAmerican Energy's needs. Essentially all of MidAmerican Energy's expected coal supply requirements are covered under fixed-price contracts. MidAmerican Energy regularly monitors the western coal market for opportunities to enhance its coal supply portfolio.

MidAmerican Energy has a multi-year long-haul coal transportation agreement with BNSF Railway Company ("BNSF"), an affiliate company, for the delivery of coal to two MidAmerican Energy-operated coal-fueled generating facilities. Under this agreement, BNSF delivers coal directly to MidAmerican Energy's Walter Scott, Jr. Energy Center and to an interchange point with Canadian Pacific Kansas City Railway Company ("CPKC"). MidAmerican Energy has a single-year contract for short-haul delivery with CPKC from the interchange point to the Louisa Energy Center. MidAmerican Energy has a multi-year long-haul coal transportation agreement with Union Pacific Railroad Company for the delivery of coal to the George Neal Energy Center.

Nuclear

MidAmerican Energy is a 25% joint owner of Quad Cities Generating Station Units 1 and 2 ("Quad Cities Station"), a nuclear generating facility, which is currently licensed by the NRC for operation until December 14, 2032. Constellation Energy Generation, LLC ("Constellation Energy"), is the 75% joint owner and the operator of Quad Cities Station. Approximately one-third of the nuclear fuel assemblies in each reactor core at Quad Cities Station is replaced every 24 months. MidAmerican Energy has been advised by Constellation Energy that it expects to obtain the necessary uranium concentrates, conversion, enrichment and fabrication services to meet the nuclear fuel requirements of Quad Cities Station. In reaction to concerns about the profitability of Quad Cities Station and Constellation Energy's ability to continue its operation, in December 2016, Illinois passed legislation creating a zero-emission standard, which went into effect June 1, 2017. The zero-emission standard requires the Illinois Power Agency to purchase ZECs and recover the costs from certain ratepayers in Illinois, subject to certain limitations. Currently, Quad Cities is operating under agreements to provide Illinois load serving entities ZECs through May 31, 2027. Additionally, on August 16, 2022, the Inflation Reduction Act of 2022 was signed into law which contained numerous provisions, including expanded tax credits for clean energy incentives. As a result of the enactment of the Inflation Reduction Act of 2022, MidAmerican Energy's ownership of the Quad Cities Station qualifies for federal nuclear PTCs which provide a tax credit beginning in 2024 for qualifying production volumes subject to a phase-out based on annual gross receipts. Both the amount of the PTC and the gross receipt thresholds adjust annually for inflation over the duration of the program. MidAmerican Energy earned nuclear PTCs totaling $12 million and $49 million in 2025 and 2024, respectively, of which 88% were included in the Iowa EAC.

Natural Gas and Other

MidAmerican Energy uses natural gas and oil as fuel for intermediate and peak demand electric generation, igniter fuel, transmission support and standby purposes. These sources are presently in adequate supply and available to meet MidAmerican Energy's needs.

Regional Transmission Organizations

MidAmerican Energy sells and purchases electricity and ancillary services related to its generation and load in wholesale markets pursuant to the tariffs in those markets. MidAmerican Energy participates predominantly in the MISO energy and ancillary service markets, which provide MidAmerican Energy with wholesale opportunities over a large market area. MidAmerican Energy can enter into wholesale bilateral transactions in addition to market activity related to its assets. MidAmerican Energy is also authorized to participate in the Southwest Power Pool, Inc. and PJM Interconnection, L.L.C. ("PJM") markets and can contract with several other utilities in the region.

The MISO requires each member to maintain a minimum seasonal reserve margin of its accredited generating capacity over its seasonal peak demand obligation based on the member's seasonal load forecast filed with the MISO each year. Owned and contracted accredited capacity represents the amount of generation available to meet the requirements of MidAmerican Energy's retail customers and consists of MidAmerican Energy-owned generation, interruptible retail customer load, certain customer private generation that MidAmerican Energy is contractually allowed to dispatch and the net amount of capacity purchases and sales, excluding sales into the MISO annual capacity auction. Accredited capacity may vary significantly from the nominal capacity ratings, particularly for wind or solar facilities whose output is dependent upon energy resource availability at any given time. Additionally, the actual amount of generating capacity available at any time may be less than the accredited capacity due to regulatory restrictions, transmission constraints, fuel restrictions and generating units being temporarily out of service for inspection, maintenance, refueling, modifications or other reasons. The MISO's reserve requirements for the 2025-2026 planning year were 7.9% for summer 2025, 14.9% for fall 2025, 18.4% for winter 2025-2026 and 25.3% for spring 2026. For the summer peak demand season, MidAmerican Energy's owned and contracted capacity accredited for the 2025-2026 MISO capacity auction was 6,017 MWs compared to a peak demand obligation of 5,725 MWs. MidAmerican Energy purchased an additional 160 MWs in the MISO Planning Resource Auction to fulfill the MISO summer reserve requirements. MidAmerican Energy has more than adequate reserve margin for the fall, winter and spring peak demand seasons. Some of the excess capacity may be sold through bilateral or MISO capacity auction transactions. The reserve requirements for the 2026-2027 planning year will be 7.9% for summer 2026, 11.6% for fall 2026, 18.9% for winter 2026-2027 and 23.4% for spring 2027. MidAmerican Energy's decisions regarding additions to or reductions of its generation portfolio may be impacted by the MISO's minimum reserve margin requirements.

Transmission and Distribution

MidAmerican Energy's transmission and distribution systems included 4,700 circuit miles of transmission lines in four states, 25,800 circuit miles of distribution lines and 330 substations as of December 31, 2025. Electricity from MidAmerican Energy's generating facilities and purchased electricity is delivered to wholesale markets and its retail customers via the transmission facilities of MidAmerican Energy and others. MidAmerican Energy participates in the MISO capacity, energy and ancillary services markets as a transmission-owning member and, accordingly, operates its transmission assets at the direction of the MISO. The MISO manages its energy and ancillary service markets using reliability-constrained dispatch of the region's generation. For both the day-ahead and real-time (every five minutes) markets, the MISO analyzes generation commitments to provide market liquidity and transparent pricing while maintaining transmission system reliability by minimizing congestion and maximizing efficient energy transmission. Additionally, through its FERC-approved OATT, the MISO performs the role of transmission service provider throughout the MISO footprint and administers the long-term planning function. The MISO costs of the participants are shared among the participants through a number of mechanisms in accordance with the MISO tariff.

Regulated Natural Gas Operations

MidAmerican Energy is engaged in the distribution of natural gas to customers in its service territory and the related procurement, transportation and storage of natural gas for the benefit of those customers. MidAmerican Energy purchases natural gas from various suppliers and contracts with interstate natural gas pipelines for transportation of the gas to MidAmerican Energy's service territory and for storage and balancing services. MidAmerican Energy sells natural gas and delivery services to end-use customers on its distribution system; sells natural gas to other utilities, municipalities and energy marketing companies; and transports natural gas through its distribution system for end-use customers who have independently secured their supply of natural gas. During 2025, 58% of the total natural gas delivered through MidAmerican Energy's distribution system was associated with transportation service.

Natural gas property consists primarily of natural gas mains and service lines, meters, and related distribution equipment, including feeder lines to communities served from natural gas pipelines owned by others. The natural gas distribution facilities of MidAmerican Energy included 25,300 miles of natural gas main and service lines as of December 31, 2025.

Customer Usage and Seasonality

The percentages of natural gas sold to MidAmerican Energy's retail customers by jurisdiction for the years ended December 31 were as follows:

	2025	2024	2023
Iowa	75 %	75 %	75 %
South Dakota	14	14	14
Illinois	10	10	10
Nebraska	1	1	1
	100 %	100 %	100 %

The percentages of natural gas sold to MidAmerican Energy's retail and wholesale customers by class of customer, total Dths of natural gas sold, total Dths of transportation service and the average number of retail customers for the years ended December 31 were as follows:

	2025	2024	2023
Dths sold:			
Residential	48 %	44 %	45 %
Commercial(1)	23	21	21
Industrial(1)	5	5	5
Total retail	76	70	71
Wholesale(2)	24	30	29
	100 %	100 %	100 %
Dths of natural gas sold (in thousands):	104,985	102,186	106,912
Dths of transportation service (in thousands):	111,772	108,667	106,422
Average number of retail customers (in thousands):			
Residential	736	729	723
Commercial	71	70	69
Industrial	1	1	1
Other	3	3	3
Total	811	803	796

(1) Commercial and industrial customers are classified primarily based on the nature of their business and natural gas usage. Commercial customers are non-residential customers that use natural gas principally for heating. Industrial customers are non-residential customers that use natural gas principally for their manufacturing processes.

(2) Wholesale sales are generally made to other utilities, municipalities and energy marketing companies for eventual resale to end-use customers.

There are seasonal variations in MidAmerican Energy's regulated natural gas business that are principally due to the use of natural gas for heating. Typically, 50-60% of MidAmerican Energy's regulated retail natural gas revenue is reported in the months of January, February, March and December.

During 2025, 2024 and 2023, MidAmerican Energy's peak-day delivery through its distribution system was 1,372,402, 1,309,874 and 1,119,503 Dths, respectively. On January 20, 2025, MidAmerican Energy recorded its all-time highest peak-day of 1,372,402 Dths. This peak-day delivery consisted of 66% traditional retail sales service and 34% transportation service.

Natural Gas Supply and Capacity

MidAmerican Energy uses several strategies designed to maintain a reliable natural gas supply and reduce the impact of volatility in natural gas prices on its regulated retail natural gas customers. These strategies include the purchase of a geographically diverse supply portfolio from producers and third-party energy marketing companies, the use of interstate pipeline storage services and MidAmerican Energy's LNG peaking facilities, and the use of financial derivatives to fix the price on a portion of the anticipated natural gas requirements of MidAmerican Energy's customers. Refer to "General Regulation" in Item 1 of this Form 10-K for a discussion of the PGAs.

MidAmerican Energy contracts for firm natural gas pipeline capacity to transport natural gas from key production areas and liquid market centers to its service territory through direct interconnects to the pipeline systems of several interstate natural gas pipeline systems, including Northern Natural Gas, an affiliate company. MidAmerican Energy has multiple pipeline interconnections into several larger markets within its distribution system. Multiple pipeline interconnections create competition among pipeline suppliers for transportation capacity to serve those markets, thus reducing costs. In addition, multiple pipeline interconnections increase delivery reliability and give MidAmerican Energy the ability to optimize delivery of the lowest cost supply from the various production areas and liquid market centers into these markets. Benefits to MidAmerican Energy's distribution system customers are shared among all jurisdictions through a consolidated PGA.

At times, the natural gas pipeline capacity available through MidAmerican Energy's firm capacity portfolio may exceed the requirements of retail customers on MidAmerican Energy's distribution system. Firm capacity in excess of MidAmerican Energy's system needs can be released to other companies to achieve optimum use of the available capacity. Past IUC and South Dakota Public Utilities Commission ("SDPUC") rulings have allowed MidAmerican Energy to retain 30% of the revenue on the resold capacity, with the remaining 70% being returned to customers through the PGAs.

MidAmerican Energy utilizes interstate pipeline natural gas storage services to meet retail customer requirements, manage fluctuations in demand due to changes in weather and other usage factors and manage variation in seasonal natural gas pricing. MidAmerican Energy typically withdraws natural gas from storage during the heating season when customer demand is historically at its peak and injects natural gas into storage during off-peak months when customer demand is historically lower. MidAmerican Energy also utilizes its three LNG facilities to meet peak day demands during the winter heating season. Interstate pipeline storage services and MidAmerican Energy's LNG facilities reduce dependence on natural gas purchases during the volatile winter heating season and can deliver a significant portion of MidAmerican Energy's anticipated retail sales requirements on a peak winter day. For MidAmerican Energy's 2025/2026 winter heating season preliminary peak-day of January 23, 2026, supply sources used to meet deliveries to traditional retail sales service customers included 56% from purchases delivered on interstate pipelines, 34% from interstate pipeline storage services and 10% from MidAmerican Energy's LNG facilities.

MidAmerican Energy attempts to optimize the value of its regulated transportation capacity, natural gas supply and interstate pipeline storage services by engaging in wholesale transactions. IUC and SDPUC rulings have allowed MidAmerican Energy to retain 50% of the respective jurisdictional margins earned on certain wholesale sales of natural gas, with the remaining 50% being returned to customers through the PGAs.

MidAmerican Energy is not aware of any factors that would cause material difficulties in meeting its anticipated retail customer demand under normal operating conditions for the foreseeable future.

Energy Efficiency Programs

MidAmerican Energy has provided a comprehensive set of DSM programs to its Iowa electric and natural gas customers since 1990. The programs, collectively referred to as energy efficiency programs, are designed to reduce energy consumption and more effectively manage when energy is used, including management of seasonal peak loads. Current programs offer services to customers such as energy engineering audits and information on how to improve the efficiency of their homes and businesses. To assist customers in investing in energy efficiency, MidAmerican Energy offers rebates or incentives encouraging the purchase and installation of high-efficiency equipment such as lighting, heating and cooling equipment, weatherization, motors, process equipment and systems, as well as incentives for efficient construction. Incentives are also paid to residential customers who participate in the air conditioner load control program and nonresidential customers who participate in the nonresidential load management program. In Iowa, legislation passed in 2018 provides that projected cumulative average annual costs for a natural gas energy efficiency plan cannot exceed 1.5% of expected Iowa natural gas retail revenue and, for an electric demand response plan and separately for an electric energy efficiency plan other than demand response, cannot exceed 2.0% of expected annual Iowa electric retail revenue. Although subject to prudence reviews, state regulations allow for contemporaneous recovery of costs incurred for energy efficiency programs through state-specific energy efficiency service charges paid by all retail electric and natural gas customers. In 2025, $53 million was expensed for MidAmerican Energy's energy efficiency programs, which resulted in estimated first-year energy savings of 232,000 MWhs of electricity and 136,000 Dths of natural gas and an estimated peak load reduction of 262 MWs of electricity and 2,014 Dths per day of natural gas.

Human Capital

Employees

As of December 31, 2025, MidAmerican Funding and MidAmerican Energy had approximately 3,600 employees, of which approximately 1,400 (39%) were covered by union contracts. MidAmerican Energy has three separate contracts with locals of the International Brotherhood of Electrical Workers and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union. A contract with the International Brotherhood of Electrical Workers covering substantially all of the union employees expires April 30, 2027. For more information regarding MidAmerican Funding's and MidAmerican Energy's human capital disclosures, refer to Item 1. Business - General section of this Form 10-K.

MidAmerican Funding, LLC and its subsidiaries and MidAmerican Energy Company
Consolidated Financial Section

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is management's discussion and analysis of certain significant factors that have affected the consolidated financial condition and results of operations of MidAmerican Funding and its subsidiaries and MidAmerican Energy during the periods included herein. Information in Management's Discussion and Analysis related to MidAmerican Energy, whether or not segregated, also relates to MidAmerican Funding. Information related to other subsidiaries of MidAmerican Funding pertains only to the discussion of the financial condition and results of operations of MidAmerican Funding. Where necessary, discussions have been segregated under the heading "MidAmerican Funding" to allow the reader to identify information applicable only to MidAmerican Funding. Explanations include management's best estimate of the impact of weather, customer growth, usage trends and other factors. This discussion should be read in conjunction with MidAmerican Funding's historical Consolidated Financial Statements and Notes to Consolidated Financial Statements and MidAmerican Energy's historical Financial Statements and Notes to Financial Statements each in Item 8 of this Form 10-K. MidAmerican Funding's and MidAmerican Energy's actual results in the future could differ significantly from the historical results.

Results of Operations

Overview

MidAmerican Energy -

MidAmerican Energy's net income for 2025 was $1,061 million, an increase of $58 million, or 6%, compared to 2024 primarily due to higher electric utility margin, higher allowances for equity and borrowed funds used during construction, lower interest expense and higher natural gas utility margin. These items were partially offset by an unfavorable income tax benefit, higher operations and maintenance expense, higher depreciation and amortization expense, higher property and other taxes, lower interest income and unfavorable changes in the cash surrender value of corporate-owned life insurance policies. Utility margin increased primarily due to higher wholesale margin, higher electric retail customer usage and the favorable impact of weather, partially offset by unfavorable price impacts from changes in sales mix, lower recoveries through bill riders, lower wind-turbine performance settlements and lower natural gas base rates. Electric retail customer volumes increased 10% primarily due to higher customer usage for certain industrial customers and the favorable impact of weather. Wholesale electricity sales volumes increased 6% due to favorable market conditions. Increased total electric sales of 8% coupled with lower renewable-powered generation from lower wind and lower natural gas generation from higher average fuel costs resulted in increased coal-fueled generation and energy purchased volumes. Natural gas retail customer volumes increased 11% due to the favorable impact of weather.

MidAmerican Energy's net income for 2024 was $1,003 million, an increase of $21 million, or 2%, compared to 2023 primarily due to a favorable income tax benefit, higher natural gas utility margin, higher interest income, higher allowances for equity and borrowed funds used during construction and favorable changes in the cash surrender value of corporate-owned life insurance policies. These items were partially offset by higher depreciation and amortization expense, higher interest expense, higher operations and maintenance expense, lower electric utility margin and higher property and other taxes. Utility margin increased primarily due to higher natural gas base rates and higher electric retail customer usage, partially offset by lower wholesale margin and the unfavorable impact of weather. Electric retail customer volumes increased 1.2% primarily due to higher customer usage for certain industrial customers, partially offset by lower customer usage for commercial and residential customers and the unfavorable impact of weather. Wholesale electricity sales volumes decreased 5% due to unfavorable market conditions. Energy generated increased 2% primarily due to 7% higher renewable-powered generation, partially offset by 13% lower coal-fueled generation. Energy purchased volumes decreased 23% primarily due to the increase in energy generated and decreased total sales of 1%. Natural gas retail customer volumes decreased 5% due to the unfavorable impact of weather.

MidAmerican Funding -

MidAmerican Funding's net income for 2025 was $1,048 million, an increase of $57 million, or 6%, compared to 2024. MidAmerican Funding's net income for 2024 was $991 million, an increase of $11 million, or 1%, compared to 2023. The increases were primarily due to the changes in MidAmerican Energy's earnings discussed above and a one-time gain on the sale of an investment of $10 million in 2023.

Non-GAAP Financial Measure

Management utilizes various key financial measures that are prepared in accordance with GAAP, as well as non-GAAP financial measures such as electric utility margin and natural gas utility margin, to help evaluate results of operations. Electric utility margin is calculated as regulated electric operating revenue less cost of fuel and energy, which are captions presented on the Statements of Operations. Natural gas utility margin is calculated as regulated natural gas operating revenue less cost of natural gas purchased for resale, which are included in regulated natural gas and other and cost of natural gas purchased for resale and other, respectively, on the Statements of Operations.

MidAmerican Energy's cost of fuel and energy and cost of natural gas purchased for resale are generally recovered from its retail customers through regulatory recovery mechanisms and, as a result, changes in MidAmerican Energy's expenses included in regulatory recovery mechanisms result in comparable changes to revenue. As such, management believes electric utility margin and natural gas utility margin more appropriately and concisely explain results of operations rather than a discussion of revenue and cost of sales separately. Management believes the presentation of electric utility margin and natural gas utility margin provides meaningful and valuable insight into the information management considers important to understanding the business and a measure of comparability to others in the industry.

Electric utility margin and natural gas utility margin are not measures calculated in accordance with GAAP and should be viewed as a supplement to, and not a substitute for, operating income, which is the most directly comparable financial measure prepared in accordance with GAAP. The following table provides a reconciliation of utility margin to operating income for the years ended December 31 (in millions):

	2025	2024	Change		2024	2023	Change	
Electric utility margin:								
Operating revenue	$ 3,124	$ 2,584	$ 540	21 %	$ 2,584	$ 2,673	$ (89)	(3)%
Cost of fuel and energy	713	430	283	66	430	501	(71)	(14)
Electric utility margin	2,411	2,154	257	12	2,154	2,172	(18)	(1)
Natural gas utility margin:								
Operating revenue	778	658	120	18	658	713	(55)	(8)
Cost of natural gas purchased for resale	480	367	113	31	367	451	(84)	(19)
Natural gas utility margin	298	291	7	2	291	262	29	11
Utility margin	2,709	2,445	264	11	2,445	2,434	11	—
Other operating revenue	5	9	(4)	(44)	9	7	2	29
Operations and maintenance	933	879	54	6	879	851	28	3
Depreciation and amortization	1,031	1,001	30	3	1,001	908	93	10
Property and other taxes	176	166	10	6	166	161	5	3
Operating income	$ 574	$ 408	$ 166	41 %	$ 408	$ 521	$ (113)	(22)%

Electric Utility Margin

A comparison of key operating results related to electric utility margin is as follows for the years ended December 31:

	2025	2024	Change		2024	2023	Change	
Utility margin (in millions):								
Operating revenue	$ 3,124	$ 2,584	$ 540	21 %	$ 2,584	$ 2,673	$ (89)	(3)%
Cost of fuel and energy	713	430	283	66	430	501	(71)	(14)
Utility margin	$ 2,411	$ 2,154	$ 257	12 %	$ 2,154	$ 2,172	$ (18)	(1)%
Sales (GWhs):								
Residential	7,068	6,691	377	6 %	6,691	6,759	(68)	(1)%
Commercial	4,064	3,926	138	4	3,926	3,992	(66)	(2)
Industrial	20,102	17,773	2,329	13	17,773	17,307	466	3
Other	1,679	1,646	33	2	1,646	1,617	29	2
Total retail	32,913	30,036	2,877	10	30,036	29,675	361	1
Wholesale	15,162	14,329	833	6	14,329	15,129	(800)	(5)
Total sales	48,075	44,365	3,710	8 %	44,365	44,804	(439)	(1)%
Average number of retail customers (in thousands)	838	829	9	1 %	829	820	9	1 %
Average revenue per MWh:								
Retail	$ 78.77	$ 76.13	$ 2.64	3 %	$ 76.13	$ 77.82	$ (1.69)	(2)%
Wholesale	$ 28.21	$ 13.44	$ 14.77	110 %	$ 13.44	$ 17.92	$ (4.48)	(25)%
Heating degree days	5,770	5,045	725	14 %	5,045	5,371	(326)	(6)%
Cooling degree days	1,222	1,188	34	3 %	1,188	1,255	(67)	(5)%
Sources of energy (GWhs)[(1)]:								
Wind, solar and hydroelectric [(2)]	26,291	26,691	(400)	(1)%	26,691	24,877	1,814	7 %
Coal	12,013	8,637	3,376	39	8,637	9,961	(1,324)	(13)
Nuclear	3,777	3,873	(96)	(2)	3,873	3,790	83	2
Natural gas	1,955	2,224	(269)	(12)	2,224	2,184	40	2
Total energy generated	44,036	41,425	2,611	6	41,425	40,812	613	2
Energy purchased	4,785	3,676	1,109	30	3,676	4,772	(1,096)	(23)
Total	48,821	45,101	3,720	8 %	45,101	45,584	(483)	(1)%
Average cost of energy per MWh:								
Energy generated[(3)]	$ 7.58	$ 5.67	$ 1.91	34 %	$ 5.67	$ 6.80	$ (1.13)	(17)%
Energy purchased	$ 77.36	$ 52.86	$ 24.50	46 %	$ 52.86	$ 46.86	$ 6.00	13 %

(1) GWh amounts are net of energy used by the related generating facilities.

(2) All or some of the renewable energy attributes associated with generation from these sources may be: (a) used in future years to comply with RPS or other regulatory requirements or (b) sold to third parties in the form of RECs or other environmental commodities.

(3) The average cost per MWh of energy generated includes only the cost of fuel associated with the generating facilities.

Natural Gas Utility Margin

A comparison of key operating results related to natural gas utility margin is as follows for the years ended December 31:

	2025	2024	Change		2024	2023	Change	
Utility margin (in millions):								
Operating revenue	$ 778	$ 658	$ 120	18 %	$ 658	$ 713	$ (55)	(8)%
Cost of natural gas purchased for resale	480	367	113	31	367	451	(84)	(19)
Utility margin	$ 298	$ 291	$ 7	2 %	$ 291	$ 262	$ 29	11 %
Throughput (000's Dths):								
Residential	49,998	44,615	5,383	12 %	44,615	47,558	(2,943)	(6)%
Commercial	24,239	21,648	2,591	12	21,648	22,715	(1,067)	(5)
Industrial	5,813	5,680	133	2	5,680	5,799	(119)	(2)
Other	89	73	16	22	73	76	(3)	(4)
Total retail sales	80,139	72,016	8,123	11	72,016	76,148	(4,132)	(5)
Wholesale sales	24,846	30,170	(5,324)	(18)	30,170	30,764	(594)	(2)
Total sales	104,985	102,186	2,799	3	102,186	106,912	(4,726)	(4)
Natural gas transportation service	111,772	108,666	3,106	3	108,666	106,422	2,244	2
Total throughput	216,757	210,852	5,905	3 %	210,852	213,334	(2,482)	(1)%
Average number of retail customers (in thousands)	811	803	8	1 %	803	796	7	1 %
Average revenue per retail Dth sold	$ 8.17	$ 7.70	$ 0.47	6 %	$ 7.70	$ 7.80	$ (0.10)	(1)%
Heating degree days	6,040	5,292	748	14 %	5,292	5,668	(376)	(7)%
Average cost of natural gas per retail Dth sold	$ 5.10	$ 4.59	$ 0.51	11 %	$ 4.59	$ 4.98	$ (0.39)	(8)%
Combined retail and wholesale average cost of natural gas per Dth sold	$ 4.57	$ 3.60	$ 0.97	27 %	$ 3.60	$ 4.22	$ (0.62)	(15)%

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

MidAmerican Energy -

Electric utility margin increased $257 million, or 12%, for 2025 compared to 2024 primarily due to:

- $136 million increase in wholesale utility margin, driven by a $124 million increase in margin per unit reflecting higher market prices, and $12 million, or 5.8%, increase in sales volumes; and
- $121 million increase in retail utility margin primarily due to $133 million from higher customer usage, $56 million from higher recoveries through bill riders (offset in income tax benefit), and $17 million from the favorable impact of weather, partially offset by $66 million of lower recoveries through bill riders (partially offset in operations and maintenance expense), $12 million due to price impacts from changes in sales mix and $7 million of lower wind-turbine performance settlements from higher wind plant availability. Retail customer volumes increased 9.6%.

Natural gas utility margin increased $7 million, or 2%, for 2025 compared to 2024 primarily due to:

- $10 million increase due to the favorable impact of weather; and
- $2 million increase from higher natural gas transportation margin; partially offset by
- $5 million decrease from lower base rates.

Operations and maintenance increased $54 million, or 6%, for 2025 compared to 2024 primarily due to higher other power generation costs of $23 million, higher electric distribution costs of $12 million, higher gas distribution costs of $10 million, higher steam generation costs of $10 million, and higher transmission costs from MISO of $9 million, partially offset by lower administrative and other costs of $11 million.

Depreciation and amortization increased $30 million, or 3%, for 2025 compared to 2024 primarily due to $32 million related to new and repowered wind-powered generating facilities and other plant placed in-service and $29 million from a regulatory mechanism that provides customers the retail energy benefits of certain wind-powered generation projects, partially offset by $31 million from lower Iowa revenue sharing accruals.

Property and other taxes increased $10 million, or 6%, for 2025 compared to 2024 primarily due to higher wind turbine property taxes and higher replacement taxes.

Interest expense decreased $12 million, or 3%, for 2025 compared to 2024 primarily due to lower average outstanding long-term debt balances.

Allowance for borrowed and equity funds increased $20 million, or 22%, for 2025 compared to 2024 primarily due to higher construction work-in-progress balances related to wind- and solar-powered generation projects.

Other, net decreased $17 million, or 20%, for 2025 compared to 2024 primarily due to lower interest income and lower cash surrender values of corporate-owned life insurance policies.

Income tax benefit decreased $123 million, or 15%, for 2025 compared to 2024. The effective tax rate was (208)% and (512)% for 2025 and 2024, respectively. The $123 million decrease was primarily due to lower PTCs of $47 million, higher pre-tax income and lower benefit from the effects of ratemaking.

Federal renewable electricity PTCs are earned as energy from qualifying wind- and solar-powered generating facilities is produced and sold and are based on a prescribed per-kilowatt rate pursuant to the applicable federal income tax law. Qualifying generating facilities are eligible for the credits for 10 years from the date the facilities are placed in-service. Beginning in late 2014, some of MidAmerican Energy's wind-powered generating facilities surpassed the 10-year eligibility period for earning the credits. Most of those facilities have since been repowered, and under IRS rules, qualifying repowered facilities are eligible for the available credits, for 10 years from the date they are returned to service. Refer to "Capital Expenditures" in Liquidity and Capital Resources for additional information about repowering and new wind- and solar-powered generation placed in-service.

Additionally, beginning in 2024, MidAmerican Energy's ownership of the Quad Cities Station qualifies for federal nuclear PTCs which provide a tax credit for qualifying production volumes subject to a phase-out based on annual gross receipts. Both the amount of the PTC and the gross receipt thresholds adjust annually for inflation over the duration of the program.

MidAmerican Funding -

Income tax benefit for MidAmerican Funding decreased $122 million, or 14%, for 2025 compared to 2024. The effective tax rate was (220)% for 2025 and (570)% for 2024. The $122 million decrease was primarily due to the factors discussed for MidAmerican Energy.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

MidAmerican Energy -

Electric utility margin decreased $18 million, or 1%, for 2024 compared to 2023 primarily due to:

- $33 million decrease in wholesale utility margin due to lower margin per unit of $19 million, reflecting lower market prices, and lower volumes of $14 million or 5.3%; partially offset by
- $16 million increase in retail utility margin primarily due to $42 million from higher recoveries through bill riders (partially offset in operations and maintenance expense) and $24 million from higher customer usage, partially offset by $42 million of lower recoveries through bill riders (offset in income tax benefit) and $12 million from the unfavorable impact of weather. Retail customer volumes increased 1.2%.

Natural gas utility margin increased $29 million, or 11%, for 2024 compared to 2023 primarily due to:

- $32 million increase from higher base rates; and
- $5 million increase from higher natural gas transportation margin; partially offset by
- $8 million decrease due to the unfavorable impact of weather.

Operations and maintenance increased \$28 million, or 3%, for 2024 compared to 2023 primarily due to higher electric distribution costs of \$19 million, higher transmission costs from MISO of \$9 million and higher energy efficiency costs of \$8 million, partially offset by lower nuclear power generation costs of \$8 million.

Depreciation and amortization increased \$93 million, or 10%, for 2024 compared to 2023 primarily due to \$56 million related to new and repowered wind-powered generating facilities and other plant placed in-service, \$52 million from higher Iowa revenue sharing accruals and \$5 million from a regulatory mechanism that provides customers the retail energy benefits of certain wind-powered generation projects, partially offset by \$19 million from the write-off of certain assets in 2023.

Property and other taxes increased \$5 million, or 3%, for 2024 compared to 2023 primarily due to higher wind turbine property taxes.

Interest expense increased \$71 million, or 21%, for 2024 compared to 2023 primarily due to September 2023 and January 2024 long-term debt issuances.

Allowance for borrowed and equity funds increased \$12 million, or 15%, for 2024 compared to 2023 primarily due to higher construction work-in-progress balances related to wind- and solar-powered generation projects.

Other, net increased \$47 million, or 131%, for 2024 compared to 2023 primarily due to higher interest income and higher cash surrender values of corporate-owned life insurance policies.

Income tax benefit increased \$146 million, or 21%, for 2024 compared to 2023. The effective tax rate was (512)% and (240)% for 2024 and 2023, respectively. The \$146 million increase was primarily due to higher PTCs of \$129 million and lower pre-tax income.

MidAmerican Funding -

Income tax benefit for MidAmerican Funding increased \$148 million, or 21%, for 2024 compared to 2023. The effective tax rate was (570)% and (244)% for 2024 and 2023. The \$148 million increase was primarily due to the factors discussed for MidAmerican Energy.

Liquidity and Capital Resources

As of December 31, 2025, MidAmerican Energy's and MidAmerican Funding's total net liquidity were as follows (in millions):

MidAmerican Energy:		
Cash and cash equivalents	$	670
Credit facilities, maturing 2026 and 2028		1,505
Less:		
Tax-exempt bond support		(258)
Net credit facilities		1,247
MidAmerican Energy total net liquidity	$	1,917
MidAmerican Funding:		
MidAmerican Energy total net liquidity	$	1,917
Cash and cash equivalents		2
MHC, Inc. credit facility, maturing 2026		4
MidAmerican Funding total net liquidity	$	1,923

Refer to Note 7 of the Notes to Financial Statements in Item 8 of this Form 10-K for further discussion regarding MidAmerican Energy's credit facilities and letters of credit.

On July 4, 2025, the One Big Beautiful Bill Act (the "OBBBA") was enacted, introducing substantial revisions to federal energy-related tax policy. Among its provisions, the OBBBA accelerates the phase-out of clean electricity production and investment tax credits and establishes new sourcing requirements applicable to facilities commencing construction after December 31, 2025. On July 7, 2025, a federal executive order (the "Executive Order") was issued directing the Secretary of the Treasury to promulgate new or revised guidance consistent with applicable law to ensure that policies concerning the "beginning of construction" requirements are not circumvented for wind and solar-powered generating facilities. In response, the U.S. Secretary of the Treasury issued partial guidance on September 2, 2025, through Notice 2025-42. While the guidance largely reaffirmed existing standards, it notably eliminated the five percent safe harbor method for establishing the beginning of construction for projects commencing construction on or after September 2, 2025. The OBBBA and Notice 2025-42 did not have a material impact on MidAmerican Energy's 2025 consolidated financial results.

MidAmerican Energy's future financial performance and capital expenditures related to renewable energy, storage and technology neutral projects may be affected by the combined effects of the OBBBA, the Executive Order, and broader macroeconomic and geopolitical conditions, including changes in international trade policies and tariff regimes. The pace of change in these areas accelerated during 2025, and uncertainty persists regarding the scope and duration of these external factors. However, MidAmerican Energy currently does not believe these items and any resulting changes to future capital project allocations will significantly impact its business in the near term.

Operating Activities

MidAmerican Energy's net cash flows from operating activities were $1.8 billion, $2.0 billion and $2.2 billion for 2025, 2024 and 2023, respectively. MidAmerican Funding's net cash flows from operating activities were $1.8 billion, $2.0 billion and $2.2 billion for 2025, 2024 and 2023, respectively. Cash flows from operating activities decreased for 2025 compared to 2024 primarily due to lower income tax receipts and higher accounts receivable balances, partially offset by higher utility margin for MidAmerican Energy's regulated electric and natural gas businesses. Cash flows from operating activities decreased for 2024 compared to 2023 primarily due to higher payments to vendors, lower utility margin for MidAmerican Energy's regulated electric business, higher interest payments and higher property tax payments, partially offset by higher income tax receipts, lower asset retirement obligation settlements and higher utility margin for MidAmerican Energy's regulated natural gas business.

The timing of MidAmerican Energy's income tax cash flows from period to period can be significantly affected by the estimated federal income tax payment methods selected and assumptions made for each payment date.

Investing Activities

MidAmerican Energy's net cash flows from investing activities were $(1.8) billion, $(1.7) billion and $(1.8) billion for 2025, 2024 and 2023, respectively. MidAmerican Funding's net cash flows from investing activities were $(1.8) billion, $(1.7) billion and $(1.8) billion for 2025, 2024 and 2023, respectively. Net cash flows from investing activities consist almost entirely of capital expenditures. Refer to "Future Uses of Cash" for further discussion of capital expenditures. Purchases and proceeds related to marketable securities primarily consist of activity within the Quad Cities Generating Station nuclear decommissioning trust and other trust investments.

Financing Activities

MidAmerican Energy's net cash flows from financing activities were $59 million, $(374) million and $(6) million for 2025, 2024 and 2023, respectively. MidAmerican Funding's net cash flows from financing activities were $79 million, $(361) million and $(6) million for 2025, 2024 and 2023, respectively. In 2025, 2024 and 2023, MidAmerican Energy paid $500 million, $425 million and $1,025 million, respectively, in cash dividends to its parent company, MHC Inc. In 2025, 2024 and 2023, MidAmerican Funding paid $474 million, $425 million and $1,025 million, respectively, in cash distributions to its sole member, BHE. Proceeds from long-term debt reflect MidAmerican Energy's issuance in November 2025 of $400 million of its 5.50% First Mortgage Bonds due November 2056, MidAmerican Energy's issuance in January 2024 of $600 million of its 5.30% First Mortgage Bonds due February 2055, and MidAmerican Energy's issuances in September 2023 of $350 million of its 5.350% First Mortgage Bonds due January 2034 and $1 billion of its 5.850% First Mortgage Bonds due September 2054. In 2025, 2024 and 2023, MidAmerican Energy repaid $17 million, $539 million and $317 million of long-term debt, respectively. MidAmerican Funding paid $6 million in 2025 and received $13 million in 2024 through its note payable with BHE.

Debt Authorizations and Related Matters

Short-term Debt

MidAmerican Energy has authority from the FERC to issue, through April 2, 2026, commercial paper and bank notes aggregating $1.5 billion, with new authorization through April 2, 2028, filed and pending approval. MidAmerican Energy has a $1.5 billion unsecured credit facility expiring in June 2028. The credit facility, which supports MidAmerican Energy's commercial paper program and its variable-rate tax-exempt bond obligations and provides for the issuance of letters of credit, has a variable interest rate based on the Secured Overnight Financing Rate, plus a spread that varies based on MidAmerican Energy's credit ratings for senior unsecured long-term debt securities. Additionally, MidAmerican Energy has a $5 million unsecured credit facility for general corporate purposes.

Long-term Debt and Preferred Stock

MidAmerican Energy currently has an effective shelf registration statement filed with the SEC to issue an unspecified amount of long-term debt securities and preferred stock through October 2028. MidAmerican Energy has authorization from the FERC to issue, through June 30, 2027, long-term debt securities up to an aggregate of $2.1 billion and preferred stock up to an aggregate of $500 million. MidAmerican Energy has authorization from the ICC through April 24, 2028, to issue long-term debt securities up to an aggregate of $2.75 billion and preferred stock up to an aggregate of $500 million.

MidAmerican Energy's mortgage dated September 9, 2013, creates a lien on most of MidAmerican Energy's electric utility property within the state of Iowa, allowing the issuance of bonds based on a percentage of eligible utility property additions, bond credits arising from retirement of previously outstanding bonds or deposits of cash. As of December 31, 2025, MidAmerican Energy estimated it would be able to issue up to $9.2 billion of new first mortgage bonds under the mortgage. Any issuances are subject to market conditions, and amounts are further limited by regulatory authorizations and commitments, as well as any more restrictive requirements of covenants and tests contained in other financing agreements. MidAmerican Energy also has the ability to release property from the lien of the mortgage on the basis of property additions, bond credits or deposits of cash.

MidAmerican Funding or one of its subsidiaries, including MidAmerican Energy, may from time to time seek to acquire its outstanding debt securities through cash purchases in the open market, privately negotiated transactions or otherwise. Any debt securities repurchased by MidAmerican Funding or one of its subsidiaries may be reissued or resold by MidAmerican Funding or one of its subsidiaries from time to time and will depend on prevailing market conditions, the issuing company's liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Future Uses of Cash

MidAmerican Energy and MidAmerican Funding have available a variety of sources of liquidity and capital resources, both internal and external, including net cash flows from operating activities, public and private debt offerings, the issuance of commercial paper, the use of unsecured revolving credit facilities, and other sources. These sources are expected to provide funds required for current operations, capital expenditures, debt retirements and other capital requirements. The availability and terms under which MidAmerican Energy and MidAmerican Funding have access to external financing depends on a variety of factors, including their credit ratings, investors' judgment of risk and conditions in the overall capital markets, including the condition of the utility industry.

Capital Expenditures

MidAmerican Energy has significant future capital requirements. Capital expenditure needs are reviewed regularly by management and may change significantly as a result of these reviews, which may consider, among other factors, impacts to customers' rates; changes in environmental and other rules and regulations; the impact of U.S. federal executive orders; outcomes of regulatory proceedings; changes in income tax laws; general business conditions; load projections; system reliability standards; the cost and efficiency of construction labor, equipment and materials; commodity prices; and the cost and availability of capital.

MidAmerican Energy's historical and forecast capital expenditures, each of which exclude amounts for non-cash equity AFUDC and other non-cash items, for the years ended December 31 are as follows (in millions):

	Historical			Forecast		
	2023	2024	2025	2026	2027	2028
Wind generation	$ 744	$ 507	$ 656	$ 998	$ 874	$ 59
Electric transmission	205	245	247	355	634	561
Solar generation	13	3	40	162	582	873
Electric distribution	369	339	370	360	437	415
Other	502	610	460	695	1,019	895
Total	$ 1,833	$ 1,704	$ 1,773	$ 2,570	$ 3,546	$ 2,803

MidAmerican Energy's capital expenditures provided above consist of the following:

- Wind generation includes the construction, acquisition, repowering and operation of wind-powered generating facilities in Iowa. Growth expenditures include spending for the following:
  - Construction of wind-powered generating facilities totaled $233 million for 2025, $127 million for 2024 and $608 million for 2023. MidAmerican Energy placed in-service 214 MWs and 200 MWs of new wind-powered generation in 2025 and 2023, respectively. Planned spending for the construction of additional wind-powered generating facilities totals $239 million for 2026.
  - Repowering of wind-powered generating facilities totaled $346 million for 2025, $307 million for 2024 and $47 million for 2023. Planned spending for repowering totals $700 million and $815 million in 2026 and 2027, respectively. MidAmerican Energy expects its repowered facilities to meet IRS guidelines for the re-establishment of PTCs under the prevailing wage and apprenticeship guidelines for 10 years from the date the facilities are placed in-service.
- Electric transmission includes expenditures to meet retail demand growth, upgrades to accommodate third-party generator requirements and replacement of existing facilities to maintain system reliability.
- Solar generation includes the construction and operation of solar-powered generating facilities, with total spend of $40 million in 2025, $3 million in 2024 and $13 million in 2023. Planned spending for the construction and operation of solar-powered generating facilities totals $162 million, $582 million and $873 million for 2026, 2027 and 2028, respectively.
- Electric distribution includes expenditures for new facilities to meet retail demand growth and for replacement of existing facilities to maintain system reliability.
- Remaining expenditures primarily relate to the construction of new natural gas-powered generating facilities in Iowa, routine projects for other generation, natural gas distribution, technology, facilities and other operational needs to serve existing and expected demand.

Material Cash Requirements

MidAmerican Energy and MidAmerican Funding have cash requirements that may affect their financial condition that arise primarily from long- and short-term debt (refer to Notes 7 and 8), firm commitments (refer to Note 13) and construction and other development costs (refer to Liquidity and Capital Resources included within this Item 7) and AROs (refer to Note 11). Refer, where applicable, to the respective referenced note in Notes to Financial Statements in Item 8 of this Form 10-K for additional information.

MidAmerican Energy has cash requirements relating to interest payments of $8.1 billion on long-term debt, including $413 million due in 2026. Additionally, MidAmerican Funding has cash requirements relating to interest payments on its long-term debt of $58 million, including $16 million due in 2026.

Regulatory Matters

MidAmerican Energy is subject to comprehensive regulation. Refer to the discussion contained in Item 1 of this Form 10-K for further information regarding MidAmerican Energy's general regulatory framework and current regulatory matters.

Environmental Laws and Regulations

MidAmerican Energy is subject to federal, state and local laws and regulations regarding air quality, climate change, emissions performance standards, water quality, coal ash disposal and other environmental matters that have the potential to impact MidAmerican Energy's current and future operations. In addition to imposing continuing compliance obligations, these laws and regulations provide regulators with the authority to levy substantial penalties for noncompliance including fines, injunctive relief and other sanctions. These laws and regulations are administered by various federal, state and local agencies. MidAmerican Energy believes it is in material compliance with all applicable laws and regulations, although many are subject to interpretation that may ultimately be resolved by the courts. Environmental laws and regulations continue to evolve, and MidAmerican Energy is unable to predict the impact of the changing laws and regulations on its operations and financial results.

Refer to "Environmental Laws and Regulations" in Item 1 of this Form 10-K for further discussion regarding environmental laws and regulations.

Collateral and Contingent Features

Debt securities of MidAmerican Energy are rated by credit rating agencies. Assigned credit ratings are based on each rating agency's assessment of MidAmerican Energy's ability to, in general, meet the obligations of its issued debt securities. The credit ratings are not a recommendation to buy, sell or hold securities, and there is no assurance that a particular credit rating will continue for any given period of time. As of December 31, 2025, MidAmerican Energy's credit ratings for its senior secured debt and its issuer credit ratings for senior unsecured debt from the recognized credit rating agencies were investment grade. As a result of the issuance of first mortgage bonds by MidAmerican Energy in September 2013, its then outstanding senior unsecured debt was equally and ratably secured with such first mortgage bonds. Refer to Note 8 of MidAmerican Energy's Notes to Financial Statements in Item 8 of this Form 10-K for a discussion of MidAmerican Energy's first mortgage bonds.

MidAmerican Funding and MidAmerican Energy have no credit rating downgrade triggers that would accelerate the maturity dates of its outstanding debt, and a change in ratings is not an event of default under the applicable debt instruments. MidAmerican Energy's unsecured revolving credit facilities do not require the maintenance of a minimum credit rating level in order to draw upon their availability. However, commitment fees and interest rates under the credit facilities are tied to credit ratings and increase or decrease when the ratings change. A ratings downgrade could also increase the future cost of commercial paper, short- and long-term debt issuances or new credit facilities.

In accordance with industry practice, certain wholesale agreements, including derivative contracts, contain credit support provisions that in part base MidAmerican Energy's collateral requirements on its credit ratings for senior unsecured debt as reported by one or more of the recognized credit rating agencies. These agreements may either specifically provide bilateral rights to demand cash or other security if credit exposures on a net basis exceed specified rating-dependent threshold levels ("credit-risk-related contingent features") or provide the right for counterparties to demand "adequate assurance," or in some cases terminate the contract, in the event of a material adverse change in MidAmerican Energy's creditworthiness. These rights can vary by contract and by counterparty. If all credit-risk-related contingent features or adequate assurance provisions for these agreements had been triggered as of December 31, 2025, MidAmerican Energy would have been required to post $124 million of additional collateral. MidAmerican Energy's collateral requirements could fluctuate considerably due to market price volatility, changes in credit ratings, changes in legislation or regulation, or other factors.

Inflation

Historically, overall inflation and changing prices in the economies where MidAmerican Energy operates have not had a significant impact on its financial results. MidAmerican Energy operates under cost-of-service based rate-setting structures administered by various state commissions and the FERC. Under these rate-setting structures, MidAmerican Energy is allowed to include prudent costs in its rates, including the impact of inflation. MidAmerican Energy attempts to minimize the potential impact of inflation on its operations through the use of fuel, energy and other cost adjustment clauses and bill riders, by employing prudent risk management and hedging strategies and by considering, among other areas, inflation's impact on purchases of energy, operating expenses, materials and equipment costs, contract negotiations, future capital spending programs, and long-term debt issuances. There can be no assurance that such actions will be successful.

New Accounting Pronouncements

For a discussion of new accounting pronouncements affecting MidAmerican Energy and MidAmerican Funding, refer to Note 2 of Notes to Consolidated Financial Statements in Item 8 of this Form 10-K.

Critical Accounting Estimates

Certain accounting measurements require management to make estimates and judgments concerning transactions that will be settled several years in the future. Amounts recognized on the Financial Statements based on such estimates involve numerous assumptions subject to varying and potentially significant degrees of judgment and uncertainty and will likely change in the future as additional information becomes available. The following critical accounting estimates are impacted significantly by MidAmerican Energy's methods, judgments and assumptions used in the preparation of the Financial Statements and should be read in conjunction with MidAmerican Energy's Summary of Significant Accounting Policies included in Note 2 of Notes to Financial Statements in Item 8 of this Form 10-K.

Accounting for the Effects of Certain Types of Regulation

MidAmerican Energy prepares its financial statements in accordance with authoritative guidance for regulated operations, which recognizes the economic effects of regulation. Accordingly, MidAmerican Energy defers the recognition of certain costs or income if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in future regulated rates. Regulatory assets and liabilities are established to reflect the impacts of these deferrals, which will be recognized in earnings in the periods the corresponding changes in regulated rates occur.

MidAmerican Energy continually evaluates the applicability of the guidance for regulated operations and whether its regulatory assets and liabilities are probable of inclusion in future regulated rates by considering factors such as a change in the regulator's approach to setting rates from cost-based ratemaking to another form of regulation, other regulatory actions or the impact of competition, that could limit MidAmerican Energy's ability to recover its costs. MidAmerican Energy believes its application of the guidance for regulated operations is appropriate, and its existing regulatory assets and liabilities are probable of inclusion in future regulated rates. The evaluation reflects the current political and regulatory climate at both the federal and state levels. If it becomes no longer probable that the deferred costs or income will be included in future regulated rates, the related regulatory assets and liabilities will be written off to net income, returned to customers or re-established as AOCI. Total regulatory assets were $304 million and total regulatory liabilities were $1,323 million as of December 31, 2025. Refer to Note 5 of Notes to Financial Statements in Item 8 of this Form 10-K for additional information regarding regulatory assets and liabilities.

Impairment of Goodwill

MidAmerican Funding's Consolidated Balance Sheet as of December 31, 2025, includes goodwill from the acquisition of MHC totaling $1.3 billion. Goodwill is allocated to each reporting unit. MidAmerican Funding evaluates goodwill for impairment at least annually and completed its annual review as of October 31, 2025. Additionally, no indicators of impairment were identified as of December 31, 2025. Significant judgment is required in estimating the fair value of the reporting unit and performing goodwill impairment tests. MidAmerican Funding uses a variety of methods to estimate a reporting unit's fair value, principally discounted projected future net cash flows. Key assumptions used include, but are not limited to, the use of estimated future cash flows; multiples of earnings; and an appropriate discount rate. Estimated future cash flows are impacted by, among other factors, growth rates, changes in regulations and rates, ability to renew contracts and estimates of future commodity prices. In estimating future cash flows, MidAmerican Funding incorporates current market information, as well as historical factors.

Pension and Other Postretirement Benefits

MidAmerican Energy sponsors defined benefit pension and other postretirement benefit plans that cover the majority of the employees of BHE and its domestic energy subsidiaries other than PacifiCorp and NV Energy Inc. MidAmerican Energy recognizes the funded status of its defined benefit pension and other postretirement benefit plans on the Balance Sheets. Funded status is the fair value of plan assets minus the benefit obligation as of the measurement date. As of December 31, 2025, MidAmerican Energy recognized net assets totaling $77 million for the funded status of its defined benefit pension and other postretirement benefit plans. As of December 31, 2025, amounts not yet recognized as a component of net periodic benefit cost that were included in regulatory assets and regulatory liabilities totaled $16 million and $103 million, respectively.

The expense and benefit obligations relating to these defined benefit pension and other postretirement benefit plans are based on actuarial valuations. Inherent in these valuations are key assumptions, including, but not limited to, discount rates, expected long-term rate of return on plan assets and healthcare cost trend rates. These key assumptions are reviewed annually and modified as appropriate. MidAmerican Energy believes that the key assumptions utilized in recording obligations under the plans are reasonable based on prior plan experience and current market and economic conditions. Refer to Note 10 of Notes to Financial Statements in Item 8 of this Form 10-K for disclosures about MidAmerican Energy's defined benefit pension and other postretirement benefit plans, including the key assumptions used to calculate the funded status and net periodic benefit cost for these plans as of and for the year ended December 31, 2025.

MidAmerican Energy chooses a discount rate based upon high quality debt security investment yields in effect as of the measurement date that corresponds to cash flows over the expected benefit period. The pension and other postretirement benefit liabilities increase as the discount rate is reduced.

In establishing its assumption as to the expected long-term rate of return on plan assets, MidAmerican Energy utilizes the expected asset allocation and return assumptions for each asset class based on historical performance and forward-looking views of the financial markets. Pension and other postretirement benefits expense increases as the expected long-term rate of return on plan assets decreases. MidAmerican Energy regularly reviews its actual asset allocations and rebalances its investments to its targeted allocations when considered appropriate.

MidAmerican Energy chooses a healthcare cost trend rate that reflects the near and long-term expectations of increases in medical costs and corresponds to the expected benefit payment periods. The healthcare cost trend rate is assumed to gradually decline to 5.00% by 2035 at which point the rate of increase is assumed to remain constant.

The key assumptions used may differ materially from period to period due to changing market and economic conditions. These differences may result in a significant impact to pension and other postretirement benefits expense and funded status. If changes were to occur for the following key assumptions, the approximate effect on the Financial Statements of the total plan before allocations to affiliates would be as follows (in millions):

	Pension Plans		Other Postretirement Benefit Plans	
	+0.5%	**-0.5%**	**+0.5%**	**-0.5%**
Effect on December 31, 2024 Benefit Obligations:				
Discount rate	$ (20)	$ 22	$ (8)	$ 9
Effect on 2024 Periodic Cost:				
Discount rate	$ 1	$ (1)	$ —	$ —
Expected rate of return on plan assets	(2)	2	(1)	1

A variety of factors affect the funded status of the plans, including discount rates, asset returns, plan changes and MidAmerican Energy's funding policy for each plan.

Income Taxes

In determining MidAmerican Funding's and MidAmerican Energy's income taxes, management is required to interpret complex income tax laws and regulations, which includes consideration of regulatory implications imposed by MidAmerican Energy's various regulatory commissions. MidAmerican Funding's and MidAmerican Energy's income tax returns are subject to continuous examinations by federal, state and local tax authorities that may give rise to different interpretations of these complex laws and regulations. Due to the nature of the examination process, it generally takes years before these examinations are completed and these matters are resolved. MidAmerican Funding and MidAmerican Energy recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the Consolidated Financial Statements from such a position are measured based on the largest benefit that is more-likely-than-not to be realized upon ultimate settlement. Although the ultimate resolution of their federal, state and local tax examinations is uncertain, each company believes it has made adequate provisions for its income tax positions. The aggregate amount of any additional income tax liabilities that may result from these examinations is not expected to have a material impact on its consolidated financial results. Refer to Note 9 of Notes to Consolidated Financial Statements in Item 8 of this Form 10-K for additional information regarding income taxes.

It is probable that MidAmerican Energy will either refund to, or recover from its customers in certain state jurisdiction income tax benefits and expense related to the federal tax rate change from 35% to 21%, certain property-related basis differences, and other various differences. As of December 31, 2025, these amounts were recognized as a net regulatory asset of $9 million and will be included in regulated rates when the temporary differences reverse.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

MidAmerican Energy's Balance Sheets include assets and liabilities with fair values that are subject to market risks. MidAmerican Energy's significant market risks are primarily associated with commodity prices, interest rates and the extension of credit to counterparties with which it transacts. The following discussion addresses the significant market risks associated with MidAmerican Energy's business activities. MidAmerican Energy has established guidelines for credit risk management. Refer to Note 2 of Notes to Financial Statements in Item 8 of this Form 10-K for additional information regarding MidAmerican Energy's contracts accounted for as derivatives.

Commodity Price Risk

MidAmerican Energy is exposed to the impact of market fluctuations in commodity prices and interest rates. MidAmerican Energy is principally exposed to electricity, natural gas, coal and fuel oil commodity price risk as it has an obligation to serve retail customer load in its regulated service territory. Commodity prices are subject to wide price swings as supply and demand are impacted by, among many other unpredictable items, weather; market liquidity; generating facility availability; customer usage; storage; and transmission and transportation constraints. Commodity price risk for MidAmerican Energy's regulated retail electricity and natural gas operations is significantly mitigated by the inclusion of energy costs in energy cost rider mechanisms, which permit the current recovery of such costs from its retail customers. MidAmerican Energy uses commodity derivative contracts, which may include forwards, futures, options, swaps and other agreements to mitigate price volatility on behalf of its customers. MidAmerican Energy does not engage in a material amount of proprietary trading activities.

Interest Rate Risk

MidAmerican Energy and MidAmerican Funding are exposed to interest rate risk on their outstanding variable-rate short- and long-term debt and future debt issuances. MidAmerican Energy and MidAmerican Funding manage interest rate risk by limiting their exposure to variable interest rates primarily through the issuance of fixed-rate long-term debt and by monitoring market changes in interest rates. As a result of the fixed interest rates, the fixed-rate long-term debt does not expose MidAmerican Energy or MidAmerican Funding to the risk of loss due to changes in market interest rates. Additionally, because fixed-rate long-term debt is not carried at fair value on the Consolidated Balance Sheets, changes in fair value would impact earnings and cash flows only if MidAmerican Energy or MidAmerican Funding were to reacquire all or a portion of these instruments prior to their maturity. MidAmerican Energy or MidAmerican Funding may from time to time enter into interest rate derivative contracts, such as interest rate swaps or locks, to mitigate their exposure to interest rate risk. The nature and amount of their short- and long-term debt can be expected to vary from period to period as a result of future business requirements, market conditions and other factors. Refer to Notes 7, 8 and 12 of Notes to Consolidated Financial Statements in Item 1 of this Form 10-K for additional discussion of MidAmerican Energy's and MidAmerican Funding's short- and long-term debt.

As of December 31, 2025 and 2024, MidAmerican Energy had short- and long-term variable-rate obligations totaling $258 million and $271 million, respectively, that expose MidAmerican Energy to the risk of increased interest expense in the event of increases in short-term interest rates. The market risk related to MidAmerican Energy's variable-rate debt as of December 31, 2025, is not hedged. If variable interest rates were to increase by 10% from December 31 levels, it would not have a material effect on MidAmerican Energy's annual interest expense. The carrying value of the variable-rate obligations approximates fair value as of December 31, 2025 and 2024.

Credit Risk

MidAmerican Energy is exposed to counterparty credit risk associated with wholesale energy supply and marketing activities with other utilities, energy marketing companies, financial institutions and other market participants. Additionally, MidAmerican Energy participates in the RTO markets and has indirect credit exposure related to other participants, although RTO credit policies are designed to limit exposure to credit losses from individual participants. Credit risk may be concentrated to the extent MidAmerican Energy's counterparties have similar economic, industry or other characteristics and due to direct or indirect relationships among the counterparties. Before entering into a transaction, MidAmerican Energy analyzes the financial condition of each significant wholesale counterparty, establishes limits on the amount of unsecured credit to be extended to each counterparty, and evaluates the appropriateness of unsecured credit limits on an ongoing basis. To further mitigate wholesale counterparty credit risk, MidAmerican Energy enters into netting and collateral arrangements that may include margining and cross-product netting agreements and obtains third-party guarantees, letters of credit and cash deposits. If required, MidAmerican Energy exercises rights under these arrangements, including calling on the counterparty's credit support arrangement.

Substantially all of MidAmerican Energy's electric wholesale sales revenue results from participation in RTOs, including the MISO and the PJM. MidAmerican Energy's share of historical losses from defaults by other RTO market participants has not been material. Additionally, as of December 31, 2025, MidAmerican Energy's aggregate direct credit exposure from electric wholesale marketing counterparties was not material.

Item 8. Financial Statements and Supplementary Data

MidAmerican Energy Company

MidAmerican Funding, LLC and Subsidiaries

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholder of
MidAmerican Energy Company
Des Moines, Iowa

Opinion on the Financial Statements

We have audited the accompanying balance sheets of MidAmerican Energy Company ("MidAmerican Energy") as of December 31, 2025 and 2024, the related statements of operations, changes in shareholder's equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of MidAmerican Energy as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of MidAmerican Energy's management. Our responsibility is to express an opinion on MidAmerican Energy's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to MidAmerican Energy in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. MidAmerican Energy is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of MidAmerican Energy's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Board of Directors and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Effects of Rate Regulation on the Financial Statements — Refer to Note 5 to the financial statements

Critical Audit Matter Description

MidAmerican Energy is subject to rate regulation by state public service commissions as well as the Federal Energy Regulatory Commission (collectively, the "Commissions"), which have jurisdiction with respect to the rates of electric and natural gas companies in the respective service territories where MidAmerican Energy operates. Management has determined its regulated operations meet the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economic effects of rate regulation has a pervasive effect on the financial statements.

Regulated rates are subject to regulatory rate-setting processes. Rates are determined, approved, and established based on a cost-of-service basis, which is designed to allow MidAmerican Energy an opportunity to recover its prudently incurred costs of providing services and to earn a reasonable return on its invested capital. Regulatory decisions can have an effect on the recovery of costs, the rate of return earned on investment, and the timing and amount of assets to be recovered by rates. While MidAmerican Energy has indicated it expects to recover costs from customers through regulated rates, there is a risk that changes to the Commissions' approach to setting rates or other regulatory actions could limit MidAmerican Energy's ability to recover its costs.

We identified the effects of rate regulation on the financial statements as a critical audit matter due to the significant judgments made by management to support its assertions about affected account balances and disclosures and the high degree of subjectivity involved in assessing the impact of regulatory orders on the financial statements. Management judgments include assessing the likelihood of (1) recovery in future rates of incurred costs, (2) a disallowance of part of the cost of recently completed plant or plant under construction, and (3) a refund to customers. Given that management's accounting judgments are based on assumptions about the outcome of decisions by the Commissions, auditing these judgments required specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of decisions by the Commissions included the following, among others:

- We evaluated MidAmerican Energy's disclosures related to the effects of rate regulation by testing recorded balances and evaluating regulatory developments.
- We read relevant regulatory orders issued by the Commissions, regulatory statutes, filings made by MidAmerican Energy and other external information. We evaluated relevant external information and compared it to certain recorded regulatory asset and liability balances for completeness.
- For certain regulatory matters, we inspected MidAmerican Energy's filings with the Commissions and the filings with the Commissions by intervenors to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the Commissions' treatment of similar costs under similar circumstances.

/s/ Deloitte & Touche LLP

Des Moines, Iowa
February 27, 2026

We have served as MidAmerican Energy's auditor since 1999.

MIDAMERICAN ENERGY COMPANY
BALANCE SHEETS
(Amounts in millions)

	As of December 31,	
	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 670	$ 549
Trade receivables, net	453	230
Income tax receivable	82	2
Inventories	334	369
Prepayments	119	117
Other current assets	63	63
Total current assets	1,721	1,330
Property, plant and equipment, net	24,056	22,765
Regulatory assets	304	622
Investments and restricted investments	1,274	1,147
Other assets	288	252
Total assets	$ 27,643	$ 26,116

The accompanying notes are an integral part of these financial statements.

MIDAMERICAN ENERGY COMPANY
BALANCE SHEETS (continued)
(Amounts in millions)

	As of December 31,	
	2025	**2024**
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	$ 505	$ 375
Accrued interest	120	117
Accrued property, income and other taxes	198	192
Current portion of long-term debt	4	17
Other current liabilities	96	91
Total current liabilities	923	792
Long-term debt	9,203	8,807
Regulatory liabilities	1,323	1,264
Deferred income taxes	3,760	3,626
Asset retirement obligations	870	823
Other long-term liabilities	822	623
Total liabilities	16,901	15,935
Commitments and contingencies (Note 13)		
Shareholder's equity:		
Common stock - 350 shares authorized, no par value, 71 shares issued and outstanding	—	—
Additional paid-in capital	561	561
Retained earnings	10,181	9,620
Total shareholder's equity	10,742	10,181
Total liabilities and shareholder's equity	$ 27,643	$ 26,116

The accompanying notes are an integral part of these financial statements.

MIDAMERICAN ENERGY COMPANY
STATEMENTS OF OPERATIONS
(Amounts in millions)

	Years Ended December 31,		
	2025	**2024**	**2023**
Operating revenue:			
Regulated electric	$ 3,124	$ 2,584	$ 2,673
Regulated natural gas and other	783	667	720
Total operating revenue	3,907	3,251	3,393
Operating expenses:			
Cost of fuel and energy	713	430	501
Cost of natural gas purchased for resale and other	480	367	451
Operations and maintenance	933	879	851
Depreciation and amortization	1,031	1,001	908
Property and other taxes	176	166	161
Total operating expenses	3,333	2,843	2,872
Operating income	574	408	521
Other income (expense):			
Interest expense	(405)	(417)	(346)
Allowance for borrowed funds	31	25	19
Allowance for equity funds	79	65	59
Other, net	66	83	36
Total other income (expense)	(229)	(244)	(232)
Income before income tax expense (benefit)	345	164	289
Income tax expense (benefit)	(716)	(839)	(693)
Net income	$ 1,061	$ 1,003	$ 982

The accompanying notes are an integral part of these financial statements.

MIDAMERICAN ENERGY COMPANY
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
(Amounts in millions)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Total Shareholder's Equity
Balance, December 31, 2022	$ —	$ 561	$ 9,084	$ 9,645
Net income	—	—	982	982
Common stock dividends	—	—	(1,025)	(1,025)
Other equity transactions	—	—	1	1
Balance, December 31, 2023	—	561	9,042	9,603
Net income	—	—	1,003	1,003
Common stock dividends	—	—	(425)	(425)
Balance, December 31, 2024	—	561	9,620	10,181
Net income	—	—	1,061	1,061
Common stock dividends	—	—	(500)	(500)
Balance, December 31, 2025	$ —	$ 561	$ 10,181	$ 10,742

The accompanying notes are an integral part of these financial statements.

MIDAMERICAN ENERGY COMPANY
STATEMENTS OF CASH FLOWS
(Amounts in millions)

	Years Ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income	$ 1,061	$ 1,003	$ 982
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation and amortization	1,031	1,001	908
Amortization of utility plant to other operating expenses	37	35	34
Allowance for equity funds	(79)	(65)	(59)
Deferred income taxes and amortization of investment tax credits	77	81	90
Settlements of asset retirement obligations	(1)	(1)	(21)
Other, net	(22)	19	46
Changes in other operating assets and liabilities:			
Trade receivables and other assets	(212)	15	254
Inventories	35	(5)	(87)
Pension and other postretirement benefit plans, net	(5)	2	3
Accrued property, income and other taxes, net	(65)	(18)	76
Accounts payable and other liabilities	(26)	(89)	(9)
Net cash flows from operating activities	1,831	1,978	2,217
Cash flows from investing activities:			
Capital expenditures	(1,773)	(1,704)	(1,833)
Purchases of marketable securities	(439)	(327)	(243)
Proceeds from sales of marketable securities	434	313	227
Other investment proceeds	—	12	—
Other, net	9	15	12
Net cash flows from investing activities	(1,769)	(1,691)	(1,837)
Cash flows from financing activities:			
Common stock dividends	(500)	(425)	(1,025)
Proceeds from long-term debt	393	592	1,338
Repayments of long-term debt	(17)	(539)	(317)
Other, net	183	(2)	(2)
Net cash flows from financing activities	59	(374)	(6)
Net change in cash and cash equivalents and restricted cash and cash equivalents	121	(87)	374
Cash and cash equivalents and restricted cash and cash equivalents at beginning of year	555	642	268
Cash and cash equivalents and restricted cash and cash equivalents at end of year	$ 676	$ 555	$ 642

The accompanying notes are an integral part of these financial statements.

MIDAMERICAN ENERGY COMPANY
NOTES TO FINANCIAL STATEMENTS

(1) Organization and Operations

MidAmerican Energy Company ("MidAmerican Energy") is a public utility with electric and natural gas operations and is the principal subsidiary of MHC Inc. ("MHC"). MHC is a holding company that conducts no business other than the ownership of its subsidiaries. MHC's nonregulated subsidiary is Midwest Capital Group, Inc. MHC is the direct wholly owned subsidiary of MidAmerican Funding, LLC ("MidAmerican Funding"), which is an Iowa limited liability company with Berkshire Hathaway Energy Company ("BHE") as its sole member. BHE is a holding company based in Des Moines, Iowa, that has investments in subsidiaries principally engaged in energy businesses. BHE is a wholly owned subsidiary of Berkshire Hathaway Inc. ("Berkshire Hathaway").

(2) Summary of Significant Accounting Policies

Basis of Presentation

The Statements of Comprehensive Income have been omitted as net income equals comprehensive income for the years ended December 31, 2025, 2024 and 2023.

Use of Estimates in Preparation of Financial Statements

The preparation of the Financial Statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. These estimates include, but are not limited to, the effects of regulation; certain assumptions made in accounting for pension and other postretirement benefits; asset retirement obligations ("AROs"); income taxes; unbilled revenue; valuation of certain financial assets and liabilities, including derivative contracts; and accounting for contingencies. Actual results may differ from the estimates used in preparing the Financial Statements.

Accounting for the Effects of Certain Types of Regulation

MidAmerican Energy's utility operations are subject to the regulation of the Iowa Utilities Commission ("IUC"), the Illinois Commerce Commission ("ICC"), the South Dakota Public Utilities Commission, and the Federal Energy Regulatory Commission ("FERC"). MidAmerican Energy's accounting policies and the accompanying Financial Statements conform to GAAP applicable to rate-regulated enterprises and reflect the effects of the ratemaking process.

MidAmerican Energy prepares its financial statements in accordance with authoritative guidance for regulated operations, which recognizes the economic effects of regulation. Accordingly, MidAmerican Energy defers the recognition of certain costs or income if it is probable that, through the ratemaking process, there will be a corresponding increase or decrease in future regulated rates. Regulatory assets and liabilities are established to reflect the impacts of these deferrals, which will be recognized in earnings in the periods the corresponding changes in regulated rates occur. If it becomes no longer probable that the deferred costs or income will be included in future regulated rates, the related regulatory assets and liabilities will be written off to net income, returned to customers or re-established as accumulated other comprehensive income (loss) ("AOCI").

Fair Value Measurements

As defined under GAAP, fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants in the principal market or in the most advantageous market when no principal market exists. Adjustments to transaction prices or quoted market prices may be required in illiquid or disorderly markets in order to estimate fair value. Different valuation techniques may be appropriate under the circumstances to determine the value that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Market participants are assumed to be independent, knowledgeable, able and willing to transact an exchange and not under duress. Nonperformance or credit risk is considered when determining fair value. Considerable judgment may be required in interpreting market data used to develop the estimates of fair value. Accordingly, estimates of fair value presented herein are not necessarily indicative of the amounts that could be realized in a current or future market exchange.

Cash and Cash Equivalents and Restricted Cash and Cash Equivalents

Cash equivalents consist of funds invested in money market mutual funds, U.S. Treasury Bills and other investments with a maturity of three months or less when purchased. Cash and cash equivalents exclude amounts where availability is restricted by legal requirements, loan agreements or other contractual provisions. Restricted cash and cash equivalents consist substantially of funds restricted for wildlife preservation. A reconciliation of cash and cash equivalents and restricted cash and cash equivalents as of December 31, 2025 and 2024 as presented on the Statements of Cash Flows is outlined below and disaggregated by the line items in which they appear on the Balance Sheets (in millions):

	As of December 31,	
	2025	2024
Cash and cash equivalents	$ 670	$ 549
Restricted cash and cash equivalents in other current assets	6	6
Total cash and cash equivalents and restricted cash and cash equivalents	$ 676	$ 555

Investments

Fixed Maturity Securities

MidAmerican Energy's management determines the appropriate classification of investments in fixed maturity securities at the acquisition date and reevaluates the classification at each balance sheet date. Investments that management does not intend to use or is restricted from using in current operations are presented as noncurrent on the Balance Sheets.

Available-for-sale investments are carried at fair value with realized gains and losses, as determined on a specific identification basis, recognized in earnings and unrealized gains and losses recognized in AOCI, net of tax. Realized and unrealized gains and losses on fixed maturity securities in a trust related to the decommissioning of the Quad Cities Generating Station Units 1 and 2 ("Quad Cities Station") are recorded as a net regulatory liability because MidAmerican Energy expects to refund to customers any decommissioning funds in excess of costs for these activities through regulated rates. Trading investments are carried at fair value with changes in fair value recognized in earnings. Held-to-maturity securities are carried at amortized cost, reflecting the ability and intent to hold the securities to maturity. The difference between the original cost and maturity value of a fixed maturity security is amortized to earnings using the interest method.

Investments gains and losses arise when investments are sold (as determined on a specific identification basis) or are other-than-temporarily impaired with respect to securities classified as available-for-sale. If the fair value of a fixed maturity investment declines to below amortized cost and the decline is deemed other than temporary, the amortized cost of the investment is reduced to fair value, with a corresponding charge to earnings. Any resulting impairment loss is recognized in earnings if MidAmerican Energy intends to sell, or expects to be required to sell, the debt security before its amortized cost is recovered. If MidAmerican Energy does not expect to ultimately recover the amortized cost basis even if it does not intend to sell the security, the credit loss component is recognized in earnings and any difference between fair value and the amortized cost basis, net of the credit loss, is reflected in other comprehensive income (loss) ("OCI"). For regulated investments, any impairment charge is offset by the establishment of a regulatory asset to the extent recovery in regulated rates is probable.

Equity Securities

All changes in fair value of equity securities in a trust related to the decommissioning of the Quad Cities Station are recorded as a net regulatory liability since MidAmerican Energy expects to refund to customers any decommissioning funds in excess of costs for these activities through regulated rates.

Allowance for Credit Losses

Trade receivables are primarily short-term in nature with stated collection terms of less than one year from the date of origination and are stated at the outstanding principal amount, net of an estimated allowance for credit losses. The allowance for credit losses is based on MidAmerican Energy's assessment of the collectability of amounts owed to it by its customers. This assessment requires judgment regarding the ability of customers to pay or the outcome of any pending disputes. In measuring the allowance for credit losses for trade receivables, MidAmerican Energy primarily utilizes credit loss history. However, it may adjust the allowance for credit losses to reflect current conditions and reasonable and supportable forecasts that deviate from historical experience. The changes in the balance of the allowance for credit losses, which is included in trade receivables, net on the Balance Sheets, is summarized as follows for the years ended December 31 (in millions):

	2025	2024	2023
Beginning balance	$ 11	$ 12	$ 14
Charged to operating costs and expenses, net	8	8	8
Write-offs, net	(11)	(9)	(10)
Ending balance	$ 8	$ 11	$ 12

Derivatives

MidAmerican Energy employs a number of different derivative contracts, including forwards, futures, options, swaps and other agreements, to manage price risk for electricity, natural gas and other commodities, and interest rate risk. Derivative contracts are recorded on the Balance Sheets as either assets or liabilities and are stated at estimated fair value unless they are designated as normal purchases or normal sales and qualify for the exception afforded by GAAP. Derivative balances reflect offsetting permitted under master netting agreements with counterparties and cash collateral paid or received under such agreements. Cash collateral received from or paid to counterparties to secure derivative contract assets or liabilities in excess of amounts offset is included in other current assets on the Balance Sheets.

Commodity derivatives used in normal business operations that are settled by physical delivery, among other criteria, are eligible for and may be designated as normal purchases or normal sales. Normal purchases or normal sales contracts are not marked to market, and settled amounts are recognized as operating revenue or cost of sales on the Statements of Operations.

For MidAmerican Energy's derivatives not designated as hedging contracts, the settled amount is generally included in regulated rates. Accordingly, the net unrealized gains and losses associated with interim price movements on contracts that are accounted for as derivatives and probable of inclusion in regulated rates are recorded as regulatory assets and liabilities.

Inventories

Inventories consist mainly of materials and supplies, totaling $244 million and $249 million as of December 31, 2025 and 2024, respectively, coal stocks, totaling $57 million and $86 million as of December 31, 2025 and 2024, respectively, and natural gas in storage, totaling $28 million and $29 million as of December 31, 2025 and 2024, respectively. The cost of materials and supplies, coal stocks and fuel oil is determined using the average cost method. The cost of stored natural gas is determined using the last-in-first-out method. With respect to stored natural gas, the replacement cost would be $26 million and $18 million higher as of December 31, 2025 and 2024, respectively.

Property, Plant and Equipment, Net

General

Additions to utility plant are recorded at cost. MidAmerican Energy capitalizes all construction-related material, direct labor and contract services, as well as indirect construction costs. Indirect construction costs include debt allowance for funds used during construction ("AFUDC") and equity AFUDC. The cost of additions and betterments are capitalized, while costs incurred that do not improve or extend the useful lives of the related assets are generally expensed. Additionally, MidAmerican Energy has regulatory arrangements in Iowa in which the carrying cost of certain utility plant has been reduced for amounts associated with electric returns on equity exceeding specified thresholds and retail energy benefits associated with certain wind-powered generation. Amounts expensed under these arrangements are included as a component of depreciation and amortization.

Depreciation and amortization for MidAmerican Energy's utility operations are computed by applying the composite or straight-line method based on either estimated useful lives or mandated recovery periods as prescribed by its various regulatory authorities. Depreciation studies are completed by MidAmerican Energy to determine the appropriate group lives, net salvage and group depreciation rates. These studies are reviewed and rates are ultimately approved by the applicable regulatory commission. Net salvage includes the estimated future residual values of the assets and any estimated removal costs recovered through approved depreciation rates. Estimated removal costs are recorded as either a cost of removal regulatory liability or an ARO liability on the Balance Sheets, depending on whether the obligation meets the requirements of an ARO. As actual removal costs are incurred, the associated liability is reduced.

Generally, when MidAmerican Energy retires or sells a component of utility plant, it charges the original cost, net of any proceeds from the disposition to accumulated depreciation. Any gain or loss on disposals of nonregulated assets is recorded through earnings.

Debt and equity AFUDC, which represent the estimated costs of debt and equity funds necessary to finance the construction of its regulated facilities, is capitalized by MidAmerican Energy as a component of utility plant, with offsetting credits to the Statements of Operations. AFUDC is computed based on guidelines set forth by the FERC. After construction is completed, MidAmerican Energy is permitted to earn a return on these costs as a component of the related assets, as well as recover these costs through depreciation expense over the useful lives of the related assets.

Asset Retirement Obligations

MidAmerican Energy recognizes AROs when it has a legal obligation to perform decommissioning or removal activities upon retirement of an asset. MidAmerican Energy's AROs are primarily related to decommissioning of the Quad Cities Station and obligations associated with its other generating facilities. The fair value of an ARO liability is recognized in the period in which it is incurred, if a reasonable estimate of fair value can be made, and is added to the carrying amount of the associated asset, which is then depreciated over the remaining useful life of the asset. Subsequent to the initial recognition, the ARO liability is adjusted for any revisions to the original estimate of undiscounted cash flows (with corresponding adjustments to utility plant) and for accretion of the ARO liability due to the passage of time. The difference between the ARO liability, the corresponding ARO asset included in utility plant, net and amounts recovered in rates to satisfy such liabilities is recorded as a regulatory asset or liability.

Impairment

MidAmerican Energy evaluates long-lived assets for impairment, including property, plant and equipment, when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable or when the assets are being held for sale. Upon the occurrence of a triggering event, the asset is reviewed to assess whether the estimated undiscounted cash flows expected from the use of the asset plus the residual value from the ultimate disposal exceeds the carrying value of the asset. Additionally, when evaluating the carrying value of regulated assets, MidAmerican Energy considers the impact of regulation on recoverability. If the carrying value exceeds the estimated recoverable amounts, the asset is written down to the estimated fair value and any resulting impairment loss is reflected on the Statements of Operations.

Revenue Recognition

MidAmerican Energy uses a single five-step model to identify and recognize revenue from contracts with customers ("Customer Revenue") upon transfer of control of promised goods or services in an amount that reflects the consideration to which MidAmerican Energy expects to be entitled in exchange for those goods and services. MidAmerican Energy records sales, franchise and excise taxes collected directly from customers and remitted directly to the taxing authorities on a net basis on the Statements of Operations.

A majority of MidAmerican Energy's energy revenue is derived from tariff-based sales arrangements approved by various regulatory commissions. These tariff-based revenues are mainly comprised of energy, transmission, distribution and natural gas and have performance obligations to deliver energy products and services to customers which are satisfied over time as energy is delivered or services are provided.

Revenue from electric and natural gas customers is recognized as electricity or natural gas is delivered or services are provided. Revenue recognized includes billed and unbilled amounts. As of December 31, 2025 and 2024, unbilled revenue was $111 million and $109 million, respectively, and is included in trade receivables, net on the Balance Sheets.

The determination of customer billings is based on a systematic reading of customer meters and applicable rates. At the end of each month, amounts of energy provided to customers since the date of the last meter reading are estimated, and the corresponding unbilled revenue is recorded. Factors that can impact the estimate of unbilled revenue include, but are not limited to, seasonal weather patterns, total volumes supplied to the system, line losses and composition of customer classes. Unbilled revenue is reversed in the following month and billed revenue is recorded based on the subsequent meter readings.

All of MidAmerican Energy's regulated retail electric and natural gas sales are subject to energy adjustment clauses. MidAmerican Energy also has costs that are recovered, at least in part, through bill riders, including demand-side management and certain transmission costs. The clauses and riders allow MidAmerican Energy to adjust the amounts charged for electric and natural gas service as the related costs change. The costs recovered in revenue through use of the adjustment clauses and bill riders are charged to expense in the same year the related revenue is recognized. At any given time, these costs may be over or under collected from customers. The total under collection included in trade receivables, net at December 31, 2025, was $147 million and the total over collection included in trade receivables, net at December 31, 2024, was $16 million.

Unamortized Debt Premiums, Discounts and Issuance Costs

Premiums, discounts and issuance costs incurred for the issuance of long-term debt are amortized over the term of the related financing using the effective interest method.

Income Taxes

Berkshire Hathaway includes MidAmerican Funding and MidAmerican Energy in its consolidated U.S. federal and Iowa state income tax returns. MidAmerican Funding's and MidAmerican Energy's provisions for income taxes have been computed on a stand-alone basis.

Deferred income tax assets and liabilities are based on differences between the financial statement and income tax basis of assets and liabilities using enacted income tax rates expected to be in effect for the year in which the differences are expected to reverse. Changes in deferred income tax assets and liabilities associated with certain property-related basis differences and other various differences that MidAmerican Energy deems probable to be passed on to its customers in most state jurisdictions are charged or credited directly to a regulatory asset or liability and will be included in regulated rates when the temporary differences reverse. Other changes in deferred income tax assets and liabilities are included as a component of income tax expense. Changes in deferred income tax assets and liabilities attributable to changes in enacted income tax rates are charged or credited to income tax expense or a regulatory asset or liability in the period of enactment. Valuation allowances are established when necessary to reduce deferred income tax assets to the amount that is more-likely-than-not to be realized.

Investment tax credits are deferred and amortized over the estimated useful lives of the related properties or as prescribed by various regulatory commissions.

MidAmerican Funding and MidAmerican Energy recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the Consolidated Financial Statements from such a position are measured based on the largest benefit that is more-likely-than-not to be realized upon ultimate settlement. MidAmerican Funding's and MidAmerican Energy's unrecognized tax benefits are primarily included in taxes accrued and other long-term liabilities on their respective Consolidated Balance Sheets. Estimated interest and penalties, if any, related to uncertain tax positions are included as a component of income tax expense (benefit) on the Consolidated Statements of Operations.

New Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, Income Taxes Topic 740, "Income Tax—Improvements to Income Tax Disclosures" which requires enhanced disclosures, including specific categories and disaggregation of information in the effective tax rate reconciliation, disaggregated information related to income taxes paid, income or loss from continuing operations before income tax expense or benefit, and income tax expense or benefit from continuing operations. This guidance is effective for annual reporting periods beginning after December 15, 2024. Early adoption is permitted and should be applied on a prospective basis, however retrospective application is permitted. MidAmerican Energy adopted this guidance for the fiscal year beginning January 1, 2025, under the retrospective method. The adoption did not have a material impact on MidAmerican Energy's Financial Statements, but did expand the disclosures included within Notes to Financial Statements. Refer to Note 9 for expanded rate reconciliation disclosures and disaggregation of income taxes paid.

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures Subtopic 220-40, "Disaggregation of Income Statement Expenses" which addresses requests from investors for more detailed information about certain expenses and requires disclosure of the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization included in each relevant expense caption presented on the income statement. This guidance, as clarified in ASU 2025-01, is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. Early adoption is permitted and should be applied on a prospective basis, however retrospective application is permitted. MidAmerican Energy is currently evaluating the impact of adopting this guidance on its Financial Statements and disclosures included within Notes to Financial Statements.

(3) Property, Plant and Equipment, Net

Property, plant and equipment, net consists of the following as of December 31 (in millions):

	Depreciable Life	2025	2024
Utility plant:			
Generation	20-62 years	$ 18,804	$ 18,446
Transmission	55-80 years	3,297	3,029
Electric distribution	15-80 years	6,326	5,890
Natural gas distribution	30-75 years	2,600	2,413
Utility plant in-service		31,027	29,778
Accumulated depreciation and amortization		(8,304)	(8,572)
Utility plant in-service, net		22,723	21,206
Nonregulated property, net of accumulated depreciation and amortization	20-50 years	10	6
		22,733	21,212
Construction work-in-progress		1,323	1,553
Property, plant and equipment, net		$ 24,056	$ 22,765

Nonregulated property, net consists primarily of land not recoverable for regulated utility purposes.

The average depreciation and amortization rates applied to depreciable utility plant for the years ended December 31 were as follows:

	2025	2024	2023
Electric	3.1 %	3.1 %	3.3 %
Natural gas	3.0 %	3.0 %	2.8 %

Under a revenue sharing arrangement in Iowa, MidAmerican Energy accrues throughout the year a regulatory liability based on the extent to which its anticipated annual equity return exceeds specified thresholds, with an equal amount recorded in depreciation and amortization expense. The annual regulatory liability accrual reduces utility plant upon final determination of the amount. For the years ended December 31, 2025, 2024 and 2023, $49 million, $81 million, and $29 million, respectively, is reflected in depreciation and amortization expense on the Statements of Operations.

(4) Jointly Owned Utility Facilities

Under joint facility ownership agreements with other utilities, MidAmerican Energy, as a tenant in common, has undivided interests in jointly owned generation and transmission facilities. MidAmerican Energy accounts for its proportionate share of each facility, and each joint owner has provided financing for its share of each facility. Operating costs of each facility are assigned to joint owners based on their percentage of ownership or energy production, depending on the nature of the cost. Operating expenses on the Statements of Operations include MidAmerican Energy's share of the expenses of these facilities.

The amounts shown in the table below represent MidAmerican Energy's share in each jointly owned facility included in property, plant and equipment, net as of December 31, 2025 (dollars in millions):

	Company Share	Plant in Service	Accumulated Depreciation and Amortization	Construction Work-in-Progress
Louisa No. 1	88 %	$ 901	$ 576	$ 7
Quad Cities Nos. 1 and 2[(1)]	25	774	526	46
Walter Scott, Jr. No. 3	79	1,038	701	12
Walter Scott, Jr. No. 4[(2)]	60	218	124	5
George Neal No. 4	41	339	204	11
Ottumwa No. 1[(2)]	52	405	289	7
George Neal No. 3	72	599	349	10
Transmission facilities	Various	282	107	3
Total		$ 4,556	$ 2,876	$ 101

(1) Includes amounts related to nuclear fuel.

(2) Plant in-service and accumulated depreciation and amortization amounts are net of credits applied under Iowa regulatory arrangements totaling $1,067 million and $257 million, respectively.

(5) Regulatory Matters

Regulatory Assets

Regulatory assets represent costs that are expected to be recovered in future regulated rates. MidAmerican Energy's regulatory assets reflected on the Balance Sheets consist of the following as of December 31 (in millions):

	Weighted Average Remaining Life	2025	2024
Asset retirement obligations[(1)]	24 years	$ 201	$ 546
Demand side management	1 year	35	16
Unrealized loss on regulated derivative contracts	1 year	17	13
Employee benefit plans[(2)]	9 years	16	17
Deferred income taxes[(3)]	Various	9	—
Other	Various	26	30
Total		$ 304	$ 622

(1) Amount predominantly relates to AROs for fossil-fueled and wind-powered generating facilities. Refer to Note 11 for a discussion of AROs.

(2) Represents amounts not yet recognized as a component of net periodic benefit cost that are expected to be included in regulated rates when recognized.

(3) Amounts primarily represent income tax benefits related to state accelerated tax depreciation and certain property-related basis differences that were previously passed on to customers and will be included in regulated rates when the temporary differences reverse, offset by income tax liabilities primarily related to the federal tax rate change from 35% to 21% that are probable to be passed on to customers.

MidAmerican Energy had regulatory assets not earning a return on investment of $302 million and $620 million as of December 31, 2025 and 2024, respectively.

Regulatory Liabilities

Regulatory liabilities represent amounts expected to be returned to customers in future periods. MidAmerican Energy's regulatory liabilities reflected on the Balance Sheets consist of the following as of December 31 (in millions):

	Weighted Average Remaining Life	2025		2024	
Asset retirement obligations[1]	28 years	$	524	$	443
Cost of removal[2]	25 years		488		452
Iowa electric revenue sharing[3]	Various		157		186
Employee benefit plans[4]	N/A		103		73
Pre-funded AFUDC on transmission MVPs[5]	54 years		31		33
Deferred income taxes[6]	Various		—		47
Other	Various		20		30
Total		$	1,323	$	1,264

(1) Amount represents the excess of nuclear decommission trust assets over the related ARO. Refer to Note 11 for a discussion of AROs.

(2) Amounts represent estimated costs, as accrued through depreciation rates and exclusive of ARO liabilities, of removing utility plant in accordance with accepted regulatory practices. Amounts are deducted from rate base or otherwise accrue a carrying cost.

(3) Represents accruals associated with a regulatory arrangement in Iowa in which equity returns exceeding specified thresholds reduce utility plant and retail electric energy cost recoveries as required.

(4) Represents amounts not yet recognized as a component of net periodic benefit cost that are to be returned to customers in future periods when recognized.

(5) Represents AFUDC accrued on transmission MVPs that is deducted from rate base as a result of the inclusion of related construction work-in-progress in rate base.

(6) Amounts primarily represent income tax liabilities primarily related to the federal tax rate change from 35% to 21% that are probable to be passed on to customers, offset by income tax benefits related to state accelerated tax depreciation and certain property-related basis differences that were previously passed on to customers and will be included in regulated rates when the temporary differences reverse.

(6) Investments and Restricted Investments

Investments and restricted investments consists of the following amounts as of December 31 (in millions):

	2025		2024	
Nuclear decommissioning trust	$	979	$	871
Rabbi trusts		275		252
Other		20		24
Total	$	1,274	$	1,147

MidAmerican Energy has established a trust for the investment of funds for decommissioning the Quad Cities Station. The debt and equity securities in the trust are reported at fair value. Funds are invested in the trust in accordance with applicable federal and state investment guidelines and are restricted for use as reimbursement for costs of decommissioning the Quad Cities Station, which is currently licensed for operation until December 2032. As of December 31, 2025 and 2024, the fair value of the trust's funds was invested as follows: 56% and 55%, respectively, in domestic common equity securities, 29% and 31%, respectively, in U.S. government securities, 14% and 13%, respectively, in domestic corporate debt securities and 1% and 1%, respectively, in other securities.

Rabbi trusts primarily hold corporate-owned life insurance on certain current and former key executives and directors. The Rabbi trusts were established to hold investments used to fund the obligations of various nonqualified executive and director compensation plans and to pay the costs of the trusts. The amount represents the cash surrender value of all of the policies included in the Rabbi trusts, net of amounts borrowed against the cash surrender value. Changes in the cash surrender value of the policies are reflected in other income (expense) - other, net on the Statements of Operations.

(7) Short-term Debt and Credit Facilities

Interim financing of working capital needs and the construction program is obtained from unaffiliated parties through the sale of commercial paper or short-term borrowing from banks. The following table summarizes MidAmerican Energy's availability under its unsecured revolving credit facilities as of December 31 (in millions):

	2025	2024
Credit facilities	$ 1,505	$ 1,505
Less:		
Variable-rate tax-exempt bond support	(258)	(271)
Net credit facilities	$ 1,247	$ 1,234

As of December 31, 2025, MidAmerican Energy has a $1.5 billion unsecured credit facility expiring in June 2028 with an unlimited number of maturity extension options, subject to lender consent. The credit facility, which supports MidAmerican Energy's commercial paper program and its variable-rate tax-exempt bond obligations and provides for the issuance of letters of credit, has a variable interest rate based on the Secured Overnight Financing Rate ("SOFR") or a base rate, at MidAmerican Energy's option, plus a spread that varies based on MidAmerican Energy's credit ratings for senior unsecured long-term debt securities. Additionally, MidAmerican Energy has a $5 million unsecured credit facility, which expires June 2026 and has a variable interest rate based on SOFR, plus a spread.

MidAmerican Energy had no commercial paper borrowings outstanding of as of December 31, 2025 and 2024. The $1.5 billion credit facility requires that MidAmerican Energy's ratio of consolidated debt, including current maturities, to total capitalization not exceed 0.65 to 1.0 as of the last day of any quarter.

As of December 31, 2025, MidAmerican Energy was in compliance with the covenants of its credit facilities. MidAmerican Energy has authority from the FERC to issue commercial paper and bank notes aggregating $1.5 billion through April 2, 2026, with new authorization through April 2, 2028, filed and pending approval.

As of December 31, 2025 and 2024, MidAmerican Energy had $135 million of letter of credit capacity under its $1.5 billion unsecured credit facility, of which no amounts were outstanding. Additionally, as of December 31, 2025 and 2024, MidAmerican Energy had $57 million and $53 million, respectively, of letters of credit outstanding outside of its $1.5 billion unsecured credit facility in support of certain transactions required by third parties that generally have provisions that automatically extend the annual expiration dates for an additional year unless the issuing bank elects not to renew a letter of credit prior to the expiration date.

(8) Long-term Debt

MidAmerican Energy's long-term debt consists of the following, including amounts maturing within one year and unamortized premiums, discounts and debt issuance costs, as of December 31 (dollars in millions):

	Par Value	2025	2024
First mortgage bonds:			
3.10%, due 2027	$ 375	$ 375	$ 374
3.65%, due 2029	850	854	857
5.35%, due 2034	350	348	347
4.80%, due 2043	350	347	347
4.40%, due 2044	400	396	396
4.25%, due 2046	450	446	446
3.95%, due 2047	475	471	471
3.65%, due 2048	700	691	690
4.25%, due 2049	900	878	876
3.15%, due 2050	600	593	593
2.70%, due 2052	500	493	493
5.85%, due 2054	1,000	990	990
5.30%, due 2055	600	592	592
5.50%, due 2056	400	393	—
Notes:			
6.75% Series, due 2031	400	398	398
5.75% Series, due 2035	300	299	299
5.80% Series, due 2036	350	349	348
Transmission upgrade obligations, 3.201% to 7.812%, due 2036 to 2043	64	37	37
Variable-rate tax-exempt bond obligation series: (weighted average interest rate-2025-2.494%, 2024-3.359%):			
Due 2025	—	—	13
Due 2036	33	33	33
Due 2038	45	45	45
Due 2046	30	30	30
Due 2047	150	149	149
Total long-term debt	$ 9,322	$ 9,207	$ 8,824

Reflected as:

	2025	2024
Current portion of long-term debt	$ 4	$ 17
Long-term debt	9,203	8,807
Total long-term debt	$ 9,207	$ 8,824

Annual Repayments of Long-Term Debt

The annual repayments of MidAmerican Energy's long-term debt for the years beginning January 1, 2026, and thereafter, excluding unamortized premiums, discounts and debt issuance costs, are as follows (in millions):

2026	$ 4
2027	379
2028	4
2029	854
2030	4
2031 and thereafter	8,077
Total	$ 9,322

Pursuant to MidAmerican Energy's mortgage dated September 9, 2013, MidAmerican Energy's first mortgage bonds, currently and from time to time outstanding, are secured by a first mortgage lien on substantially all of its electric generating, transmission and distribution property within the state of Iowa, subject to certain exceptions and permitted encumbrances. Approximately $26 billion of MidAmerican Energy's eligible property, based on original cost, was subject to the lien of the mortgage as of December 31, 2025. Additionally, MidAmerican Energy's senior notes outstanding are equally and ratably secured with the first mortgage bonds as required by the indentures under which the senior notes were issued.

MidAmerican Energy's variable-rate tax-exempt bond obligations bear interest at rates that are periodically established through remarketing of the bonds in the short-term tax-exempt market. MidAmerican Energy, at its option, may change the mode of interest calculation for these bonds by selecting from among several floating or fixed rate alternatives. The interest rates shown in the table above are the weighted average interest rates as of December 31, 2025 and 2024. MidAmerican Energy maintains revolving credit facility agreements to provide liquidity for holders of these issues. Additionally, MidAmerican Energy's obligations associated with the $30 million and $150 million variable rate, tax-exempt bond obligations due 2046 and 2047, respectively, are secured by an equal amount of first mortgage bonds pursuant to MidAmerican Energy's mortgage dated September 9, 2013, as supplemented and amended.

As of December 31, 2025, MidAmerican Energy was in compliance with all of its applicable long-term debt covenants.

In March 1999, MidAmerican Energy committed to the IUC to use commercially reasonable efforts to maintain an investment grade rating on its long-term debt and to maintain its common equity level above 42% of total capitalization unless circumstances beyond its control result in the common equity level decreasing to below 39% of total capitalization. MidAmerican Energy must seek the approval from the IUC of a reasonable utility capital structure if MidAmerican Energy's common equity level decreases below 42% of total capitalization, unless the decrease is beyond the control of MidAmerican Energy. MidAmerican Energy is also required to seek the approval of the IUC if MidAmerican Energy's equity level decreases to below 39%, even if the decrease is due to circumstances beyond the control of MidAmerican Energy. As of December 31, 2025, MidAmerican Energy's common equity ratio was 54% computed on a basis consistent with its commitment. As a result of its regulatory commitment to maintain its common equity level above certain thresholds, MidAmerican Energy could dividend $4.0 billion as of December 31, 2025, without falling below 42%.

(9) Income Taxes

Berkshire Hathaway includes BHE and subsidiaries in its U.S. federal income tax return and BHE includes its subsidiaries in certain state income tax returns. Consistent with established regulatory practice, MidAmerican Energy's provision for income tax has been computed on a stand-alone basis, and substantially all of its currently payable or receivable income tax is remitted to or received from BHE pursuant to a tax allocation agreement. Income before income tax expense (benefit) as reported on the Statements of Operations, is all domestic.

MidAmerican Energy's income tax expense (benefit) consists of the following for the years ended December 31 (in millions):

	2025	2024	2023
Current:			
Federal	$ (782)	$ (885)	$ (755)
State	(11)	(35)	(28)
	(793)	(920)	(783)
Deferred:			
Federal	79	80	109
State	(1)	2	(18)
	78	82	91
Investment tax credits	(1)	(1)	(1)
Total	$ (716)	$ (839)	$ (693)

The following table presents income taxes paid (received), net of refunds, for the years ended December 31 (in millions):

	2025	2024	2023
Jurisdiction:			
Federal	$ (702)	$ (865)	$ (821)
State	(18)	(33)	(31)
Total[(1)]	$ (720)	$ (898)	$ (852)

(1) Substantially all income taxes paid or (received) by MidAmerican Energy are pursuant to a tax allocation agreement.

A reconciliation of the federal statutory income tax rate to MidAmerican Energy's effective income tax rate applicable to income before income tax expense (benefit) is as follows for the years ended December 31:

	2025		2024		2023	
	Amount	Percent	Amount	Percent	Amount	Percent
U.S. federal statutory income tax rate	$ 72	21.0 %	$ 34	21.0 %	$ 61	21.0 %
State income tax, net of federal income tax[(1)]	(10)	(2.9)	(26)	(15.9)	(36)	(12.5)
Energy-related tax credits	(762)	(221.5)	(811)	(494.5)	(682)	(236.0)
Nontaxable or nondeductible items	(3)	(0.9)	(5)	(3.3)	(2)	(0.7)
Changes in unrecognized tax benefits	1	0.3	1	0.6	1	0.3
Other adjustments:						
Effects of ratemaking	(15)	(4.4)	(32)	(19.5)	(34)	(11.8)
Other	1	0.3	—	—	(1)	(0.1)
Effective income tax rate	$ (716)	(208.1)%	$ (839)	(511.6)%	$ (693)	(239.8)%

(1) State tax in Iowa made up the majority (greater than 50%) of the tax effect in this category.

Energy-related tax credits relate primarily to production tax credits ("PTC") earned by MidAmerican Energy's wind- and solar-powered generating facilities. Federal renewable electricity PTCs are earned as energy from qualifying wind- and solar-powered generating facilities is produced and sold and are based on a per-kilowatt hour rate pursuant to the applicable federal income tax law. Wind- and solar-powered generating facilities are eligible for the credits for 10 years from the date the qualifying generating facilities are placed in-service.

MidAmerican Energy's net deferred income tax liability consists of the following as of December 31 (in millions):

	2025	2024
Deferred income tax assets:		
Regulatory liabilities	$ 271	$ 249
Asset retirement obligations	228	216
State carryforwards	65	66
Revenue sharing	39	47
Employee benefits	1	10
Other	47	80
Total deferred income tax assets	651	668
Valuation allowances	(2)	(2)
Total deferred income tax assets, net	649	666
Deferred income tax liabilities:		
Property-related items	(4,364)	(4,154)
Regulatory assets	(42)	(134)
Other	(3)	(4)
Total deferred income tax liabilities	(4,409)	(4,292)
Net deferred income tax liability	$ (3,760)	$ (3,626)

As of December 31, 2025, MidAmerican Energy's state tax carryforwards, principally related to $968 million of net operating losses, expire at various intervals between 2026 and 2046.

The U.S. Internal Revenue Service has closed or effectively settled its examination of MidAmerican Energy's income tax returns through December 31, 2013. The statute of limitations for MidAmerican Energy's income tax returns have expired for certain states through December 31, 2011 and December 31, 2013, and for other states through December 31, 2021, except for the impact of any federal audit adjustments.

A reconciliation of the beginning and ending balances of MidAmerican Energy's net unrecognized tax benefits is as follows for the years ended December 31 (in millions):

	2025	2024
Beginning balance	$ 22	$ 22
Additions based on tax positions related to the current year	8	5
Interest	2	2
Reductions based on tax positions related to the current year	(6)	(7)
Ending balance	$ 26	$ 22

As of December 31, 2025, MidAmerican Energy had unrecognized tax benefits totaling $60 million that, if recognized, would have an impact on the effective tax rate. The remaining unrecognized tax benefits relate to tax positions for which ultimate deductibility is highly certain but for which there is uncertainty as to the timing of such deductibility. Recognition of these tax benefits, other than applicable interest and penalties, would not affect MidAmerican Energy's effective income tax rate.

(10) Employee Benefit Plans

Defined Benefit Plan

MidAmerican Energy sponsors a noncontributory defined benefit pension plan covering a majority of all employees of BHE and its domestic energy subsidiaries other than PacifiCorp and NV Energy, Inc. Benefit obligations under the plan are based on a cash balance arrangement for salaried employees and most union employees and final average pay formulas for other union employees. MidAmerican Energy also maintains noncontributory, nonqualified defined benefit supplemental executive retirement plans ("SERP") for certain active and retired participants. In 2024, the defined benefit pension plan recorded a curtailment gain of $1 million as a result of certain plan amendments. In 2023, the defined benefit pension plan recorded a settlement gain of $3 million for previously unrecognized gains and losses as a result of excess lump sum distributions over the defined threshold.

MidAmerican Energy also sponsors certain postretirement healthcare and life insurance benefits covering substantially all retired employees of BHE and its domestic energy subsidiaries other than PacifiCorp and NV Energy, Inc. Under the plans, a majority of all employees of the participating companies may become eligible for these benefits if they reach retirement age. New employees are not eligible for benefits under the plans. MidAmerican Energy has been allowed to recover accrued pension and other postretirement benefit costs in its electric and gas service rates.

Net Periodic Benefit Cost

For purposes of calculating the expected return on pension plan assets, a market-related value is used. The market-related value of plan assets is calculated by spreading the difference between expected and actual investment returns on equity investments over a five-year period beginning after the first year in which they occur.

MidAmerican Energy bills to and is reimbursed currently for affiliates' share of the net periodic benefit costs from all plans in which such affiliates participate. In 2025, 2024 and 2023, MidAmerican Energy's share of the pension net periodic benefit cost was $(4) million, $(4) million and $(5) million, respectively. MidAmerican Energy's share of the other postretirement net periodic benefit cost in 2025, 2024 and 2023 totaled $(3) million, $1 million and $2 million, respectively.

Net periodic benefit cost for the plans of MidAmerican Energy and the aforementioned affiliates included the following components for the years ended December 31 (in millions):

	Pension			Other Postretirement		
	2025	2024	2023	2025	2024	2023
Service cost	$ 8	$ 9	$ 10	$ 3	$ 5	$ 5
Interest cost	31	31	32	12	13	13
Expected return on plan assets	(31)	(31)	(30)	(18)	(16)	(14)
Curtailment	—	(1)	—	—	—	—
Settlement	—	—	(3)	—	—	—
Net amortization	(1)	(1)	—	(2)	1	—
Net periodic benefit cost	$ 7	$ 7	$ 9	$ (5)	$ 3	$ 4

Funded Status

The following table is a reconciliation of the fair value of plan assets for the years ended December 31 (in millions):

	Pension		Other Postretirement	
	2025	2024	2025	2024
Plan assets at fair value, beginning of year	$ 522	$ 516	$ 306	$ 278
Employer contributions	7	7	2	3
Participant contributions	—	—	1	1
Actual return on plan assets	60	45	39	41
Benefits paid	(52)	(46)	(18)	(17)
Plan assets at fair value, end of year	$ 537	$ 522	$ 330	$ 306

The following table is a reconciliation of the benefit obligations for the years ended December 31 (in millions):

	Pension		Other Postretirement	
	2025	2024	2025	2024
Benefit obligation, beginning of year	$ 572	$ 598	$ 219	$ 241
Service cost	8	9	3	5
Interest cost	31	31	12	13
Participant contributions	—	—	1	1
Actuarial (gain) loss	4	(17)	8	(24)
Amendment	—	(3)	2	—
Benefits paid	(52)	(46)	(18)	(17)
Benefit obligation, end of year	$ 563	$ 572	$ 227	$ 219
Accumulated benefit obligation, end of year	$ 534	$ 542		

The funded status of the plans and the amounts recognized on the Balance Sheets as of December 31 are as follows (in millions):

	Pension		Other Postretirement	
	2025	2024	2025	2024
Plan assets at fair value, end of year	$ 537	$ 522	$ 330	$ 306
Less - Benefit obligation, end of year	563	572	227	219
Funded status	$ (26)	$ (50)	$ 103	$ 87
Amounts recognized on the Balance Sheets:				
Other assets	$ 49	$ 29	$ 103	$ 87
Other current liabilities	(7)	(7)	—	—
Other long-term liabilities	(68)	(72)	—	—
Amounts recognized	$ (26)	$ (50)	$ 103	$ 87

The SERP has no plan assets; however, MidAmerican Energy and BHE have Rabbi trusts that hold corporate-owned life insurance and other investments to provide funding for the future cash requirements of the SERP. The cash surrender value of all of the policies included in MidAmerican Energy's Rabbi trusts, net of amounts borrowed against the cash surrender value, plus the fair market value of other Rabbi trust investments, was $171 million and $157 million as of December 31, 2025 and 2024, respectively. These assets are not included in the plan assets in the above table, but are reflected in investments and restricted investments on the Balance Sheets. The projected and accumulated benefit obligations for the SERP were $74 million and $79 million at December 31, 2025 and 2024, respectively.

Unrecognized Amounts

The portion of the funded status of the plans not yet recognized in net periodic benefit cost as of December 31 is as follows (in millions):

	Pension		Other Postretirement	
	2025	2024	2025	2024
Net gain	$ (75)	$ (49)	$ (89)	$ (79)
Prior service (credit) cost	(4)	(5)	18	17
Total	$ (79)	$ (54)	$ (71)	$ (62)

MidAmerican Energy sponsors pension and other postretirement benefit plans on behalf of certain of its affiliates in addition to itself, and therefore, the portion of the funded status of the respective plans that has not yet been recognized in net periodic benefit cost is attributable to multiple entities. Additionally, substantially all of MidAmerican Energy's portion of such amounts is either refundable to or recoverable from its customers and is reflected as regulatory liabilities and regulatory assets.

A reconciliation of the amounts not yet recognized as components of net periodic benefit cost for the years ended December 31, 2025 and 2024 is as follows (in millions):

	Regulatory Asset	Regulatory Liability	Receivables (Payables) with Affiliates	Total
Pension				
Balance, December 31, 2023	$ 16	$ (20)	$ (18)	$ (22)
Net loss (gain) arising during the year	1	(22)	(9)	(30)
Net prior service credit arising during the year	—	—	(3)	(3)
Net amortization	—	—	1	1
Total	1	(22)	(11)	(32)
Balance, December 31, 2024	17	(42)	(29)	(54)
Net gain arising during the year	(2)	(24)	—	(26)
Net amortization	—	—	1	1
Total	(2)	(24)	1	(25)
Balance, December 31, 2025	$ 15	$ (66)	$ (28)	$ (79)

	Regulatory Asset	Regulatory Liability	Receivables (Payables) with Affiliates	Total
Other Postretirement				
Balance, December 31, 2023	$ —	$ 4	$ (16)	$ (12)
Net gain arising during the year	—	(35)	(14)	(49)
Net amortization	—	—	(1)	(1)
Total	—	(35)	(15)	(50)
Balance, December 31, 2024	—	(31)	(31)	(62)
Net gain arising during the year	—	(7)	(7)	(14)
Net prior service cost arising during the year	—	—	3	3
Net amortization	—	1	1	2
Total	—	(6)	(3)	(9)
Balance, December 31, 2025	$ —	$ (37)	$ (34)	$ (71)

Plan Assumptions

Assumptions used to determine benefit obligations and net periodic benefit cost were as follows:

	Pension			Other Postretirement		
	2025	2024	2023	2025	2024	2023
Benefit obligations as of December 31:						
Discount rate	5.60 %	5.75 %	5.45 %	5.45 %	5.70 %	5.45 %
Rate of compensation increase	3.00 %	3.00 %	3.00 %	N/A	N/A	N/A
Interest crediting rates for cash balance plan						
2023	N/A	N/A	3.50 %	N/A	N/A	N/A
2024	N/A	3.81 %	3.50 %	N/A	N/A	N/A
2025	3.67 %	3.81 %	3.50 %	N/A	N/A	N/A
2026	3.67 %	3.81 %	3.50 %	N/A	N/A	N/A
2027	3.67 %	3.81 %	3.50 %	N/A	N/A	N/A
2028 and beyond	3.67 %	3.81 %	3.50 %	N/A	N/A	N/A
Net periodic benefit cost for the years ended December 31:						
Discount rate	5.75 %	5.45 %	5.70 %	5.70 %	5.45 %	5.60 %
Expected return on plan assets(1)	6.60 %	6.55 %	6.35 %	6.80 %	6.65 %	6.80 %
Rate of compensation increase	3.00 %	3.00 %	3.00 %	N/A	N/A	N/A
Interest crediting rates for cash balance plan	3.67 %	3.81 %	3.50 %	N/A	N/A	N/A

(1) Amounts reflected are pretax values. Assumed after-tax returns for a taxable, non-union other postretirement plan were 5.56% for 2025, 5.45% for 2024 and 5.52% for 2023.

In establishing its assumption as to the expected return on plan assets, MidAmerican Energy utilizes the asset allocation and return assumptions for each asset class based on historical performance and forward-looking views of the financial markets.

	2025	2024
Assumed healthcare cost trend rates as of December 31:		
Healthcare cost trend rate assumed for next year	7.00 %	7.00 %
Rate that the cost trend rate gradually declines to	5.00 %	5.00 %
Year that the rate reaches the rate it is assumed to remain at	2035	2033

Contributions and Benefit Payments

Employer contributions to the pension and other postretirement benefit plans are expected to be $7 million and $1 million, respectively, during 2026. Funding to MidAmerican Energy's qualified pension benefit plan trust is based upon the actuarially determined costs of the plan and the requirements of the Internal Revenue Code, the Employee Retirement Income Security Act of 1974 and the Pension Protection Act of 2006, as amended. MidAmerican Energy considers contributing additional amounts from time to time in order to achieve certain funding levels specified under the Pension Protection Act of 2006, as amended. MidAmerican Energy evaluates a variety of factors, including funded status, income tax laws and regulatory requirements, in determining contributions to its other postretirement benefit plans.

Net periodic benefit costs assigned to MidAmerican Energy affiliates are reimbursed currently in accordance with its intercompany administrative services agreement. The expected benefit payments to participants in MidAmerican Energy's pension and other postretirement benefit plans for 2026 through 2030 and for the five years thereafter are summarized below (in millions):

	Projected Benefit Payments	
	Pension	**Other Postretirement**
2026	$ 56	$ 22
2027	53	23
2028	51	23
2029	51	23
2030	49	23
2031-2035	220	98

Plan Assets

Investment Policy and Asset Allocations

MidAmerican Energy's investment policy for its pension and other postretirement benefit plans is to balance risk and return through a diversified portfolio of debt securities, equity securities and other alternative investments. Maturities for debt securities are managed to targets consistent with prudent risk tolerances. The plans retain outside investment consultants to advise on plan investments within the parameters outlined by the Berkshire Hathaway Energy Company Investment Committee. The investment portfolio is managed in line with the investment policy with sufficient liquidity to meet near-term benefit payments.

The target allocations (percentage of plan assets) for MidAmerican Energy's pension and other postretirement benefit plan assets are as follows as of December 31, 2025:

	Pension	**Other Postretirement**
	%	%
Debt securities(1)	40-60	20-40
Equity securities(1)	30-60	60-80
Other	0-15	0-5

(1) For purposes of target allocation percentages and consistent with the plans' investment policy, investment funds are allocated based on the underlying investments in debt and equity securities.

Fair Value Measurements

The following table presents the fair value of plan assets, by major category, for MidAmerican Energy's defined benefit pension plan (in millions):

	Input Levels for Fair Value Measurements[1]			
	Level 1	Level 2	Level 3	Total
As of December 31, 2025:				
Cash equivalents	$ 8	$ —	$ —	$ 8
Debt securities:				
U.S. government obligations	26	—	—	26
Corporate obligations	—	115	—	115
Municipal obligations	—	5	—	5
Agency, asset and mortgage-backed obligations	—	14	—	14
Equity securities:				
U.S. companies	18	—	—	18
International companies	1	—	—	1
Total assets in the fair value hierarchy	$ 53	$ 134	$ —	187
Investment funds[2] measured at net asset value				350
Total assets measured at fair value				$ 537
As of December 31, 2024:				
Cash equivalents	$ —	$ 11	$ —	$ 11
Debt securities:				
U.S. government obligations	27	—	—	27
Corporate obligations	—	117	—	117
Municipal obligations	—	5	—	5
Agency, asset and mortgage-backed obligations	—	15	—	15
Equity securities:				
U.S. companies	53	—	—	53
International companies	1	—	—	1
Total assets in the fair value hierarchy	$ 81	$ 148	$ —	229
Investment funds[2] measured at net asset value				293
Total assets measured at fair value				$ 522

(1) Refer to Note 12 for additional discussion regarding the three levels of the fair value hierarchy.

(2) Investment funds are comprised of mutual funds and collective trust funds. These funds consist of equity and debt securities of approximately 73% and 27%, respectively, for 2025 and 71% and 29%, respectively, for 2024. Additionally, these funds are invested in U.S. and international securities of approximately 91% and 9%, respectively, for 2025 and 94% and 6%, respectively, for 2024.

The following table presents the fair value of plan assets, by major category, for MidAmerican Energy's defined benefit other postretirement plans (in millions):

	Input Levels for Fair Value Measurements[1]			
	Level 1	Level 2	Level 3	Total
As of December 31, 2025:				
Cash equivalents	$ 22	$ —	$ —	$ 22
Debt securities:				
U.S. government obligations	2	—	—	2
Corporate obligations	—	4	—	4
Municipal obligations	—	28	—	28
Agency, asset and mortgage-backed obligations	—	3	—	3
Equity securities:				
Investment funds[2]	271	—	—	271
Total assets measured at fair value	$ 295	$ 35	$ —	$ 330
As of December 31, 2024:				
Cash equivalents	$ 9	$ —	$ —	$ 9
Debt securities:				
U.S. government obligations	2	—	—	2
Corporate obligations	—	3	—	3
Municipal obligations	—	25	—	25
Agency, asset and mortgage-backed obligations	—	3	—	3
Equity securities:				
Investment funds[2]	264	—	—	264
Total assets measured at fair value	$ 275	$ 31	$ —	$ 306

(1) Refer to Note 12 for additional discussion regarding the three levels of the fair value hierarchy.

(2) Investment funds are comprised of mutual funds and collective trust funds. These funds consist of equity and debt securities of approximately 83% and 17%, respectively, for 2025 and 84% and 16%, respectively, for 2024. Additionally, these funds are invested in U.S. and international securities of approximately 100% and 0%, respectively, for 2025 and 84% and 16%, respectively, for 2024.

For level 1 investments, a readily observable quoted market price or net asset value of an identical security in an active market is used to record the fair value. For level 2 investments, the fair value is determined using pricing models based on observable market inputs. Shares of mutual funds not registered under the Securities Act of 1933, private equity limited partnership interests, common and commingled trust funds and investment entities are reported at fair value based on the net asset value per unit, which is used for expedience purposes. A fund's net asset value is based on the fair value of the underlying assets held by the fund less its liabilities.

Defined Contribution Plan

MidAmerican Energy sponsors a defined contribution plan ("401(k) plan") covering substantially all employees. MidAmerican Energy's matching contributions are based on each participant's level of contribution, and certain participants receive contributions based on eligible pretax annual compensation. Contributions cannot exceed the maximum allowable for tax purposes. Certain participants now receive enhanced benefits in the 401(k) plan and no longer accrue benefits in the noncontributory defined benefit pension plans. MidAmerican Energy's contributions to the plan were $37 million, $36 million, and $34 million for the years ended December 31, 2025, 2024 and 2023, respectively.

(11) Asset Retirement Obligations

MidAmerican Energy estimates its ARO liabilities based upon detailed engineering calculations of the amount and timing of the future cash spending for a third party to perform the required work. Spending estimates are escalated for inflation and then discounted at a credit-adjusted, risk-free rate. Changes in estimates could occur for a number of reasons, including changes in laws and regulations, plan revisions, inflation and changes in the amount and timing of the expected work.

MidAmerican Energy does not recognize liabilities for AROs for which the fair value cannot be reasonably estimated. Due to the indeterminate removal date, the fair value of the associated liabilities on certain generation, transmission, distribution and other assets cannot currently be estimated, and no amounts are recognized on the Financial Statements other than those included in the cost of removal regulatory liability established via approved depreciation rates in accordance with accepted regulatory practices. These accruals totaled $488 million and $452 million as of December 31, 2025 and 2024, respectively.

The following table presents MidAmerican Energy's ARO liabilities by asset type as of December 31 (in millions):

	2025	2024
Quad Cities Station	$ 455	$ 428
Wind-powered generating facilities	337	318
Fossil-fueled generating facilities	81	79
Solar-powered generating facilities and other	3	4
Total asset retirement obligations	$ 876	$ 829
Quad Cities Station nuclear decommissioning trust funds(1)	$ 979	$ 871

(1) Refer to Note 6 for a discussion of the Quad Cities Station nuclear decommissioning trust funds.

The following table reconciles the beginning and ending balances of MidAmerican Energy's ARO liabilities for the years ended December 31 (in millions):

	2025	2024
Beginning balance	$ 829	$ 778
Change in estimated costs	9	(2)
Additions	3	20
Retirements	(1)	(1)
Accretion	36	34
Ending balance	$ 876	$ 829
Reflected as:		
Other current liabilities	$ 6	$ 6
Asset retirement obligations	870	823
	$ 876	$ 829

Retirements in 2025 and 2024 relate to settlements of MidAmerican Energy's coal combustion residuals ARO liabilities.

The Nuclear Regulatory Commission regulates the decommissioning of the Quad Cities Station, which includes the planning and funding for the decommissioning. In accordance with these regulations, MidAmerican Energy submits a biennial report to the Nuclear Regulatory Commission providing reasonable assurance that funds will be available to pay for its share of the Quad Cities Station decommissioning.

Certain of MidAmerican Energy's decommissioning and reclamation obligations relate to jointly owned facilities. MidAmerican Energy is committed to pay a proportionate share of the decommissioning or reclamation costs. In the event of a default by any of the other joint participants, MidAmerican Energy may be obligated to absorb, directly or by paying additional sums to the entity, a proportionate share of the defaulting party's liability. MidAmerican Energy's estimated share of the decommissioning and reclamation obligations are primarily recorded as ARO liabilities.

In May 2024, the United States Environmental Protection Agency published its final rule on legacy coal combustion residuals ("CCR") surface impoundments and CCR management units ("CCRMUs") in the Federal Register. CCRMUs include CCR surface impoundments and landfills closed before October 19, 2015 and inactive CCR landfills. The final rule contains three main components: (1) a definition for legacy CCR surface impoundments, which are inactive surface impoundments at inactive generating facilities that must adhere to the same regulations as inactive CCR impoundments at active generating facilities, barring location restrictions and liner design criteria, with customized compliance deadlines; (2) groundwater monitoring, corrective action, closure, and post closure care requirements for CCRMUs, which may be located at active generating facilities and inactive generating facilities with a legacy CCR surface impoundment; and (3) the owners and operators of inactive generating facilities must identify the presence of legacy CCR surface impoundments and comply with all rule requirements for surface impoundments; and the owners and operators of active generating facilities and inactive generating facilities with a legacy CCR surface impoundment must prepare Facility Evaluation Reports ("FERs") that identify and describe the CCRMUs and determine whether closure is required. In February 2026, the EPA extended certain compliance deadlines with CCRMUs. Accordingly, and in a manner consistent with existing CCR rules, owners and operators must publish FERs on their CCR websites in two parts, within 12 months (Part 1) and 24 months (Part 2) of the final rule's effective date in February 2026. MidAmerican Energy is currently evaluating the final rule and does not anticipate identifying any legacy surface impoundments, but does anticipate identifying CCRMUs subject to the rule. Due to the number of site investigations warranted by this rule and the nature of engineering and other studies required at each site, MidAmerican Energy is unable to reasonably estimate the potential impact, which may be material, to its asset retirement obligations.

(12) Fair Value Measurements

The carrying value of MidAmerican Energy's cash, certain cash equivalents, receivables, payables, accrued liabilities and short-term borrowings approximates fair value because of the short-term maturity of these instruments. MidAmerican Energy has various financial assets and liabilities that are measured at fair value on the Financial Statements using inputs from the three levels of the fair value hierarchy. A financial asset or liability classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The three levels are as follows:

- Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that MidAmerican Energy has the ability to access at the measurement date.
- Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).
- Level 3 - Unobservable inputs reflect MidAmerican Energy's judgments about the assumptions market participants would use in pricing the asset or liability since limited market data exists. MidAmerican Energy develops these inputs based on the best information available, including its own data.

The following table presents MidAmerican Energy's financial assets and liabilities recognized on the Balance Sheets and measured at fair value on a recurring basis (in millions):

	Input Levels for Fair Value Measurements				
	Level 1	Level 2	Level 3	Other(1)	Total
As of December 31, 2025:					
Assets:					
Commodity derivatives	$ —	$ 3	$ 1	$ (2)	$ 2
Money market mutual funds	622				622
Debt securities:					
U.S. government obligations	284				284
Corporate obligations		133			133
Municipal obligations		2			2
Equity securities:					
U.S. companies	548				548
International companies	9				9
Investment funds	20				20
	$ 1,483	$ 138	$ 1	$ (2)	$ 1,620
Liabilities:					
Commodity derivatives	$ —	$ (18)	$ (3)	$ 7	$ (14)
As of December 31, 2024:					
Assets:					
Commodity derivatives	$ —	$ 5	$ 1	$ (3)	$ 3
Money market mutual funds	538	—	—	—	538
Debt securities:					
U.S. government obligations	271	—	—	—	271
Corporate obligations	—	109	—	—	109
Municipal obligations	—	2	—	—	2
Equity securities:					
U.S. companies	479	—	—	—	479
International companies	9	—	—	—	9
Investment funds	23	—	—	—	23
	$ 1,320	$ 116	$ 1	$ (3)	$ 1,434
Liabilities:					
Commodity derivatives	$ —	$ (15)	$ (3)	$ 6	$ (12)

(1) Represents netting under master netting arrangements and a net cash collateral receivable of $5 million and $3 million as of December 31, 2025 and 2024, respectively.

MidAmerican Energy's investments in money market mutual funds and debt and equity securities are stated at fair value, with debt securities accounted for as available-for-sale securities. When available, a readily observable quoted market price or net asset value of an identical security in an active market is used to record the fair value. In the absence of a quoted market price or net asset value of an identical security, the fair value is determined using pricing models or net asset values based on observable market inputs and quoted market prices of securities with similar characteristics.

The following table reconciles the beginning and ending balances of MidAmerican Energy's commodity derivative assets and liabilities measured at fair value on a recurring basis using significant Level 3 inputs (in millions):

	2025	2024	2023
Beginning balance	$ (2)	$ (11)	$ 5
Changes in fair value recognized in net regulatory assets	(6)	(13)	(40)
Settlements	6	22	24
Ending balance	$ (2)	$ (2)	$ (11)

MidAmerican Energy's long-term debt is carried at cost on the Financial Statements. The fair value of MidAmerican Energy's long-term debt is a Level 2 fair value measurement and has been estimated based upon quoted market prices, where available, or at the present value of future cash flows discounted at rates consistent with comparable maturities with similar credit risks. The carrying value of MidAmerican Energy's variable-rate long-term debt approximates fair value because of the frequent repricing of these instruments at market rates. The following table presents the carrying value and estimated fair value of MidAmerican Energy's long-term debt as of December 31 (in millions):

	2025		2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt	$ 9,207	$ 8,416	$ 8,824	$ 7,911

(13) Commitments and Contingencies

Commitments

MidAmerican Energy had the following firm commitments that are not reflected on the Balance Sheet. Minimum payments as of December 31, 2025, are as follows (in millions):

	2026	2027	2028	2029	2030	2031 and Thereafter	Total
Contract type:							
Coal and natural gas for generation	$ 128	$ 66	$ 35	$ —	$ —	$ —	$ 229
Electric capacity and transmission	35	34	34	26	26	36	191
Natural gas contracts for gas operations	242	122	67	37	33	44	545
Construction commitments	351	337	17	7	—	—	712
Easements	49	49	51	51	52	1,589	1,841
Maintenance, services and other	164	138	101	80	9	12	504
	$ 969	$ 746	$ 305	$ 201	$ 120	$ 1,681	$ 4,022

Coal, Natural Gas, Electric Capacity and Transmission Commitments

MidAmerican Energy has coal supply and related transportation and lime contracts for its coal-fueled generating facilities. MidAmerican Energy expects to supplement the coal contracts with additional contracts and spot market purchases to fulfill its future coal supply needs. Additionally, MidAmerican Energy has a natural gas transportation contract for a natural gas-fueled generating facility. The contracts have minimum payment commitments ranging through 2028.

MidAmerican Energy has various natural gas supply and transportation contracts for its regulated natural gas operations that have minimum payment commitments ranging through 2037.

MidAmerican Energy has contracts to purchase electric capacity that have minimum payment commitments ranging through 2028. MidAmerican Energy also has contracts for the right to transmit electricity over other entities' transmission lines with minimum payment commitments ranging through 2032.

Construction Commitments

MidAmerican Energy's firm construction commitments reflected in the table above consist primarily of contracts for the repowering of wind-powered generating facilities and construction of new natural gas-powered and solar-powered generating facilities.

In January 2026, MidAmerican Energy entered into firm construction commitments totaling $255 million for 2026 through 2028 related to the construction of new natural gas-powered generating facilities in Iowa.

Easements

MidAmerican Energy has non-cancelable easements with minimum payment commitments ranging through 2065 for land in Iowa on which certain of its assets, primarily wind- and solar-powered generating facilities, are located.

Maintenance, Services and Other Contracts

MidAmerican Energy has other non-cancelable contracts primarily related to maintenance and services for various generating facilities with minimum payment commitments ranging through 2035.

Environmental Laws and Regulations

MidAmerican Energy is subject to federal, state and local laws and regulations regarding air quality, climate change, emissions performance standards, water quality, coal ash disposal and other environmental matters that have the potential to impact its current and future operations. MidAmerican Energy believes it is in material compliance with all applicable laws and regulations.

Legal Matters

MidAmerican Energy is party to a variety of legal actions arising out of the normal course of business. MidAmerican Energy does not believe that such normal and routine litigation will have a material impact on its financial results.

(14) Revenue from Contracts with Customers

MidAmerican Energy uses a single five-step model to identify and recognize Customer Revenue upon transfer of control of promised goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. The following table summarizes MidAmerican Energy's revenue by line of business and customer class, including a reconciliation to MidAmerican Energy's reportable segment information included in Note 19, (in millions):

	For the Year Ended December 31, 2025			
	Electric	Natural Gas	Other	Total
Customer Revenue:				
Retail:				
Residential	$ 783	$ 454	$ —	$ 1,237
Commercial	359	169	—	528
Industrial	1,293	26	—	1,319
Natural gas transportation services	—	54	—	54
Other retail	158	4	—	162
Total retail	2,593	707	—	3,300
Wholesale	409	71	—	480
Multi-value transmission projects	53	—	—	53
Other Customer Revenue	—	—	5	5
Total Customer Revenue	3,055	778	5	3,838
Other revenue	69	—	—	69
Total operating revenue	$ 3,124	$ 778	$ 5	$ 3,907

	For the Year Ended December 31, 2024			
	Electric	Natural Gas	Other	Total
Customer Revenue:				
Retail:				
Residential	$ 729	$ 392	$ —	$ 1,121
Commercial	333	138	—	471
Industrial	1,069	17	—	1,086
Natural gas transportation services	—	51	—	51
Other retail	156	6	—	162
Total retail	2,287	604	—	2,891
Wholesale	168	53	—	221
Multi-value transmission projects	53	—	—	53
Other Customer Revenue	—	—	9	9
Total Customer Revenue	2,508	657	9	3,174
Other revenue	76	1	—	77
Total operating revenue	$ 2,584	$ 658	$ 9	$ 3,251

	For the Year Ended December 31, 2023			
	Electric	Natural Gas	Other	Total
Customer Revenue:				
Retail:				
Residential	$ 735	$ 420	$ —	$ 1,155
Commercial	344	152	—	496
Industrial	1,075	20	—	1,095
Natural gas transportation services	—	46	—	46
Other retail	155	—	—	155
Total retail	2,309	638	—	2,947
Wholesale	230	73	—	303
Multi-value transmission projects	54	—	—	54
Other Customer Revenue	—	—	7	7
Total Customer Revenue	2,593	711	7	3,311
Other revenue	80	2	—	82
Total operating revenue	$ 2,673	$ 713	$ 7	$ 3,393

(15) Shareholder's Equity

In 2025 and 2024, MidAmerican Energy paid $500 million and $425 million, respectively, in cash dividends to its parent company, MHC.

(16) Other Income (Expense)

Other, net, as shown on the Statements of Operations, includes the following other income (expense) items for the years ended December 31 (in millions):

	2025	2024	2023
Corporate-owned life insurance income	$ 22	$ 29	$ 23
Non-service cost components of postretirement employee benefit plans	10	8	8
Interest income and other, net	34	46	5
Total	$ 66	$ 83	$ 36

(17) Supplemental Cash Flow Disclosures

The summary of supplemental cash flow disclosures as of and for the years ending December 31 is as follows (in millions):

	2025	2024	2023
Supplemental disclosure of cash flow information:			
Interest paid, net of amounts capitalized	$ 365	$ 374	$ 300
Supplemental disclosure of non-cash investing transactions:			
Accruals related to property, plant and equipment additions	$ 239	$ 108	$ 193

(18) Related Party Transactions

The companies identified as affiliates of MidAmerican Energy are Berkshire Hathaway and its subsidiaries, including BHE and its subsidiaries. The basis for the following transactions is provided for in service agreements between MidAmerican Energy and the affiliates.

MidAmerican Energy is reimbursed for charges incurred on behalf of its affiliates. The majority of these reimbursed expenses are for general costs, such as insurance and building rent, and for employee wages, benefits and costs related to corporate functions such as information technology, human resources, treasury, legal and accounting. The amount of such reimbursements was $85 million, $88 million and $94 million for 2025, 2024 and 2023, respectively.

MidAmerican Energy reimbursed BHE in the amount of $76 million, $124 million and $123 million in 2025, 2024 and 2023, respectively, for its share of technology costs, corporate expenses and other costs. Amounts charged to MidAmerican Energy in 2025 and 2024 were primarily reflected in construction work-in-progress on the Balance Sheets as of December 31, 2025 and 2024.

MidAmerican Energy purchases, in the normal course of business at either tariffed or market prices, natural gas transportation and storage capacity services from Northern Natural Gas Company, a wholly owned subsidiary of BHE, and coal transportation services from BNSF Railway Company, an indirect wholly owned subsidiary of Berkshire Hathaway. These purchases totaled $142 million, $133 million and $141 million in 2025, 2024 and 2023, respectively.

MidAmerican Energy had accounts receivable from affiliates of $35 million and $19 million as of December 31, 2025 and 2024, respectively, that are included in other current assets on the Balance Sheets. MidAmerican Energy also had accounts payable to affiliates of $34 million and $16 million as of December 31, 2025 and 2024, respectively, that are included in accounts payable on the Balance Sheets.

MidAmerican Energy is party to a tax allocation agreement and is part of the Berkshire Hathaway consolidated U.S. federal income tax return and certain BHE consolidated state income tax returns. For current federal and state income taxes, MidAmerican Energy had a net receivable from BHE of $79 million and $1 million as of December 31, 2025 and 2024, respectively. MidAmerican Energy received net cash payments for federal and state income taxes from BHE totaling $720 million, $898 million and $852 million for the years ended December 31, 2025, 2024 and 2023, respectively.

MidAmerican Energy recognizes the full amount of the funded status for its pension and postretirement plans, and amounts attributable to MidAmerican Energy's affiliates that have not previously been recognized through income are recognized as an intercompany balance with such affiliates. MidAmerican Energy adjusts these balances when changes to the funded status of the respective plans are recognized and does not intend to settle the balances currently. Amounts receivable from affiliates attributable to the funded status of employee benefit plans totaled \$73 million and \$70 million as of December 31, 2025 and 2024, respectively, and are included in other assets on the Balance Sheets. Similar amounts payable to affiliates totaled \$77 million and \$69 million as of December 31, 2025 and 2024, respectively, and are included in other long-term liabilities on the Balance Sheets. See Note 10 for further information pertaining to pension and postretirement accounting.

(19) Segment Information

MidAmerican Energy's chief operating decision maker ("CODM") is its President and Chief Executive Officer. Net income for each reportable segment is considered by the CODM in allocating resources and capital. The CODM generally considers actual results versus historical results, budgets or forecasts, as well as unique risks and opportunities, when making decisions about the allocation of resources and capital to each reportable segment.

MidAmerican Energy has identified two reportable operating segments: regulated electric and regulated natural gas. The regulated electric segment derives most of its revenue from regulated retail sales of electricity to residential, commercial, and industrial customers and from wholesale sales. The regulated natural gas segment derives most of its revenue from regulated retail sales of natural gas to residential, commercial, and industrial customers and also obtains revenue by transporting natural gas owned by others through its distribution system. Pricing for regulated electric and regulated natural gas sales are established separately by regulatory agencies; therefore, management also reviews each segment separately to make decisions regarding allocation of resources and in evaluating performance. Common operating costs are allocated to each segment based on certain factors, which primarily relate to the nature of the cost.

The following tables provide information on a reportable segment basis for the year ended December 31 (in millions):

	2025			
	Electric	Natural Gas	Other[(1)]	Total
Operating revenue	\$ 3,124	\$ 778	\$ 5	\$ 3,907
Cost of sales	713	480	—	1,193
Operations and maintenance	784	148	1	933
Depreciation and amortization	962	69	—	1,031
Property and other taxes	162	14	—	176
Interest expense	374	31	—	405
Interest and dividend income	30	3	—	33
Income tax expense (benefit)	(724)	8	—	(716)
Other segment items[(2)]	134	12	(3)	143
Net income	\$ 1,017	\$ 43	\$ 1	\$ 1,061
Capital expenditures	\$ 1,622	\$ 150	\$ 1	\$ 1,773

	2024			
	Electric	Natural Gas	Other[(1)]	Total
Operating revenue	$ 2,584	$ 658	$ 9	$ 3,251
Cost of sales	430	367	—	797
Operations and maintenance	757	121	1	879
Depreciation and amortization	935	66	—	1,001
Property and other taxes	152	14	—	166
Interest expense	387	30	—	417
Interest and dividend income	37	3	—	40
Income tax expense (benefit)	(841)	(1)	3	(839)
Other segment items[(2)]	129	7	(3)	133
Net income	$ 930	$ 71	$ 2	$ 1,003
Capital expenditures	$ 1,580	$ 114	$ 10	$ 1,704

	2023			
	Electric	Natural Gas	Other[(1)]	Total
Operating revenue	$ 2,673	$ 713	$ 7	$ 3,393
Cost of sales	501	451	—	952
Operations and maintenance	711	138	2	851
Depreciation and amortization	846	62	—	908
Property and other taxes	144	17	—	161
Interest expense	320	26	—	346
Interest and dividend income	22	2	—	24
Income tax expense (benefit)	(676)	(14)	(3)	(693)
Other segment items[(2)]	80	15	(5)	90
Net income	$ 929	$ 50	$ 3	$ 982
Capital expenditures	$ 1,683	$ 149	$ 1	$ 1,833

	As of December 31,		
	2025	2024	2023
Assets:			
Regulated electric	$ 25,495	$ 24,159	$ 23,334
Regulated natural gas	2,145	1,956	1,900
Other[(1)]	3	1	1
Total assets	$ 27,643	$ 26,116	$ 25,235

(1) The differences between the reportable segment amounts and the consolidated amounts, described as Other, relate to nonregulated activities of the Company.

(2) Other segment items include allowance for borrowed and equity funds, gains (losses) on marketable securities and other income (expense).

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Managers and Member of
MidAmerican Funding, LLC
Des Moines, Iowa

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of MidAmerican Funding, LLC and subsidiaries ("MidAmerican Funding") as of December 31, 2025 and 2024, the related consolidated statements of operations, changes in member's equity, and cash flows for each of the three years in the period ended December 31, 2025, the related notes and the schedule listed in the Index at Item 15(a)(2) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of MidAmerican Funding as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of MidAmerican Funding's management. Our responsibility is to express an opinion on MidAmerican Funding's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to MidAmerican Funding in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. MidAmerican Funding is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of MidAmerican Funding's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the Board of Directors and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Regulatory Matters — Effects of Rate Regulation on the Financial Statements — Refer to Note 5 to the financial statements

Critical Audit Matter Description

MidAmerican Funding is subject to rate regulation by state public service commissions as well as the Federal Energy Regulatory Commission (collectively, the "Commissions"), which have jurisdiction with respect to the rates of electric and natural gas companies in the respective service territories where MidAmerican Funding operates. Management has determined its regulated operations meet the requirements under accounting principles generally accepted in the United States of America to prepare its financial statements applying the specialized rules to account for the effects of cost-based rate regulation. Accounting for the economic effects of rate regulation has a pervasive effect on the financial statements.

Regulated rates are subject to regulatory rate-setting processes. Rates are determined, approved, and established based on a cost-of-service basis, which is designed to allow MidAmerican Funding an opportunity to recover its prudently incurred costs of providing services and to earn a reasonable return on its invested capital. Regulatory decisions can have an effect on the recovery of costs, the rate of return earned on investment, and the timing and amount of assets to be recovered by rates. While MidAmerican Funding has indicated it expects to recover costs from customers through regulated rates, there is a risk that changes to the Commissions' approach to setting rates or other regulatory actions could limit MidAmerican Funding's ability to recover its costs.

We identified the effects of rate regulation on the financial statements as a critical audit matter due to the significant judgments made by management to support its assertions about affected account balances and disclosures and the high degree of subjectivity involved in assessing the impact of regulatory orders on the financial statements. Management judgments include assessing the likelihood of (1) recovery in future rates of incurred costs, (2) a disallowance of part of the cost of recently completed plant or plant under construction, and (3) a refund to customers. Given that management's accounting judgments are based on assumptions about the outcome of decisions by the Commissions, auditing these judgments required specialized knowledge of accounting for rate regulation and the rate setting process due to its inherent complexities.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the uncertainty of decisions by the Commissions included the following, among others:

- We evaluated MidAmerican Funding's disclosures related to the effects of rate regulation by testing recorded balances and evaluating regulatory developments.
- We read relevant regulatory orders issued by the Commissions, regulatory statutes, filings made by MidAmerican Funding and other external information. We evaluated relevant external information and compared it to certain recorded regulatory asset and liability balances for completeness.
- For certain regulatory matters, we inspected MidAmerican Funding's filings with the Commissions and the filings with the Commissions by intervenors to assess the likelihood of recovery in future rates or of a future reduction in rates based on precedents of the Commissions' treatment of similar costs under similar circumstances.

/s/ Deloitte & Touche LLP

Des Moines, Iowa
February 27, 2026

We have served as MidAmerican Funding's auditor since 1999.

MIDAMERICAN FUNDING, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in millions)

	As of December 31,	
	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 672	$ 552
Trade receivables, net	453	230
Income tax receivable	82	2
Inventories	334	369
Prepayments	119	117
Other current assets	57	62
Total current assets	1,717	1,332
Property, plant and equipment, net	24,065	22,766
Goodwill	1,270	1,270
Regulatory assets	304	622
Investments and restricted investments	1,276	1,149
Other assets	286	251
Total assets	$ 28,918	$ 27,390

The accompanying notes are an integral part of these consolidated financial statements.

MIDAMERICAN FUNDING, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (continued)
(Amounts in millions)

	As of December 31,	
	2025	2024
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities:		
Accounts payable	$ 498	$ 375
Accrued interest	126	122
Accrued property, income and other taxes	198	192
Note payable to affiliate	7	13
Current portion of long-term debt	4	17
Other current liabilities	96	92
Total current liabilities	929	811
Long-term debt	9,443	9,047
Regulatory liabilities	1,323	1,264
Deferred income taxes	3,758	3,624
Asset retirement obligations	870	823
Other long-term liabilities	822	622
Total liabilities	17,145	16,191
Commitments and contingencies (Note 13)		
Member's equity:		
Paid-in capital	1,679	1,679
Retained earnings	10,094	9,520
Total member's equity	11,773	11,199
Total liabilities and member's equity	$ 28,918	$ 27,390

The accompanying notes are an integral part of these consolidated financial statements.

MIDAMERICAN FUNDING, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in millions)

	Years Ended December 31,		
	2025	2024	2023
Operating revenue:			
Regulated electric	$ 3,124	$ 2,584	$ 2,673
Regulated natural gas and other	783	667	720
Total operating revenue	3,907	3,251	3,393
Operating expenses:			
Cost of fuel and energy	713	430	501
Cost of natural gas purchased for resale and other	480	367	451
Operations and maintenance	933	879	851
Depreciation and amortization	1,031	1,001	908
Property and other taxes	176	166	161
Total operating expenses	3,333	2,843	2,872
Operating income	574	408	521
Other income (expense):			
Interest expense	(423)	(434)	(362)
Allowance for borrowed funds	31	25	19
Allowance for equity funds	79	65	59
Other, net	66	84	48
Total other income (expense)	(247)	(260)	(236)
Income before income tax expense (benefit)	327	148	285
Income tax expense (benefit)	(721)	(843)	(695)
Net income	$ 1,048	$ 991	$ 980

The accompanying notes are an integral part of these consolidated financial statements.

MIDAMERICAN FUNDING, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN MEMBER'S EQUITY
(Amounts in millions)

	Paid-in Capital	Retained Earnings	Total Member's Equity
Balance, December 31, 2022	$ 1,679	$ 9,000	$ 10,679
Net income	—	980	980
Distributions to member	—	(1,025)	(1,025)
Other equity transactions	—	(1)	(1)
Balance, December 31, 2023	1,679	8,954	10,633
Net income	—	991	991
Distribution to member	—	(425)	(425)
Balance, December 31, 2024	1,679	9,520	11,199
Net income	—	1,048	1,048
Distribution to member	—	(474)	(474)
Balance, December 31, 2025	$ 1,679	$ 10,094	$ 11,773

The accompanying notes are an integral part of these consolidated financial statements.

MIDAMERICAN FUNDING, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in millions)

	Years Ended December 31,		
	2025	**2024**	**2023**
Cash flows from operating activities:			
Net income	$ 1,048	$ 991	$ 980
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation and amortization	1,031	1,001	908
Amortization of utility plant to other operating expenses	37	35	34
Allowance for equity funds	(79)	(65)	(59)
Deferred income taxes and amortization of investment tax credits	77	81	90
Settlements of asset retirement obligations	(1)	(1)	(21)
Other, net	(21)	20	33
Changes in other operating assets and liabilities:			
Trade receivables and other assets	(207)	16	254
Inventories	35	(5)	(87)
Pension and other postretirement benefit plans, net	(5)	2	3
Accrued property, income and other taxes, net	(65)	(18)	77
Accounts payable and other liabilities	(33)	(90)	(9)
Net cash flows from operating activities	1,817	1,967	2,203
Cash flows from investing activities:			
Capital expenditures	(1,780)	(1,704)	(1,833)
Purchases of marketable securities	(439)	(327)	(243)
Proceeds from sales of marketable securities	434	313	227
Other investment proceeds	—	12	12
Other, net	9	15	12
Net cash flows from investing activities	(1,776)	(1,691)	(1,825)
Cash flows from financing activities:			
Distributions to member	(474)	(425)	(1,025)
Proceeds from long-term debt	393	592	1,338
Repayments of long-term debt	(17)	(539)	(317)
Net change in note payable to affiliate	(6)	13	—
Other, net	183	(2)	(2)
Net cash flows from financing activities	79	(361)	(6)
Net change in cash and cash equivalents and restricted cash and cash equivalents	120	(85)	372
Cash and cash equivalents and restricted cash and cash equivalents at beginning of year	558	643	271
Cash and cash equivalents and restricted cash and cash equivalents at end of year	$ 678	$ 558	$ 643

The accompanying notes are an integral part of these consolidated financial statements.

(1) Organization and Operations

MidAmerican Funding, LLC ("MidAmerican Funding") is an Iowa limited liability company with Berkshire Hathaway Energy Company ("BHE") as its sole member. BHE is a holding company based in Des Moines, Iowa that has investments in subsidiaries principally engaged in energy businesses. BHE is a wholly owned subsidiary of Berkshire Hathaway Inc. ("Berkshire Hathaway"). MidAmerican Funding's direct wholly owned subsidiary is MHC Inc. ("MHC"), which constitutes substantially all of MidAmerican Funding's assets, liabilities and business activities except those related to MidAmerican Funding's long-term debt securities. MHC conducts no business other than the ownership of its subsidiaries. MHC's principal subsidiary is MidAmerican Energy Company ("MidAmerican Energy"), a public utility with electric and natural gas operations, and its direct, wholly owned nonregulated subsidiary is Midwest Capital Group, Inc. ("Midwest Capital Group").

(2) Summary of Significant Accounting Policies

In addition to the following significant accounting policies, refer to Note 2 of MidAmerican Energy's Notes to Financial Statements for significant accounting policies of MidAmerican Funding.

Basis of Consolidation and Presentation

The Consolidated Financial Statements include the accounts of MidAmerican Funding and its subsidiaries in which it held a controlling financial interest as of the financial statement date. Intercompany accounts and transactions have been eliminated, other than those between rate-regulated operations. The Consolidated Statements of Comprehensive Income have been omitted as net income equals comprehensive income for the years ended December 31, 2025, 2024 and 2023.

Cash and Cash Equivalents and Restricted Cash and Cash Equivalents

Cash equivalents consist of funds invested in money market mutual funds, U.S. Treasury Bills and other investments with a maturity of three months or less when purchased. Cash and cash equivalents exclude amounts where availability is restricted by legal requirements, loan agreements or other contractual provisions. Restricted cash and cash equivalents consist substantially of funds restricted for wildlife preservation. A reconciliation of cash and cash equivalents and restricted cash and cash equivalents as of December 31, 2025 and 2024 as presented on the Consolidated Statements of Cash Flows is outlined below and disaggregated by the line items in which they appear on the Consolidated Balance Sheets (in millions):

	As of December 31,	
	2025	2024
Cash and cash equivalents	$ 672	$ 552
Restricted cash and cash equivalents in other current assets	6	6
Total cash and cash equivalents and restricted cash and cash equivalents	$ 678	$ 558

Goodwill

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired when MidAmerican Funding purchased MHC. MidAmerican Funding evaluates goodwill for impairment at least annually and completed its annual review as of October 31, 2025. When evaluating goodwill for impairment, MidAmerican Funding estimates the fair value of its reporting units. If the carrying amount of a reporting unit, including goodwill, exceeds the estimated fair value, then the identifiable assets, including identifiable intangible assets, and liabilities of the reporting unit are estimated at fair value as of the current testing date. The excess of the estimated fair value of the reporting unit over the current estimated fair value of net assets establishes the implied value of goodwill. The excess of the recorded goodwill over the implied goodwill value is charged to earnings as an impairment loss. Significant judgment is required in estimating the fair value of the reporting unit and performing goodwill impairment tests. The determination of fair value incorporates significant unobservable inputs. During 2025, 2024 and 2023, MidAmerican Funding did not record any goodwill impairments.

(3) Property, Plant and Equipment, Net

Refer to Note 3 of MidAmerican Energy's Notes to Financial Statements. In addition to MidAmerican Energy's property, plant and equipment, net, MidAmerican Funding had nonregulated property gross of $9 million and $1 million as of December 31, 2025 and 2024, respectively.

(4) Jointly Owned Utility Facilities

Refer to Note 4 of MidAmerican Energy's Notes to Financial Statements.

(5) Regulatory Matters

Refer to Note 5 of MidAmerican Energy's Notes to Financial Statements.

(6) Investments and Restricted Investments

Refer to Note 6 of MidAmerican Energy's Notes to Financial Statements. In addition to MidAmerican Energy's investments and restricted investments, MHC had corporate-owned life insurance policies in a Rabbi trust owned by MHC with a total cash surrender value of $2 million as of December 31, 2025 and 2024.

(7) Short-term Debt and Credit Facilities

Refer to Note 7 of MidAmerican Energy's Notes to Financial Statements. In addition to MidAmerican Energy's credit facilities, MHC has a $4 million unsecured credit facility, which expires in June 2026 and has a variable interest rate based on the Secured Overnight Financing Rate, plus a spread. As of December 31, 2025 and 2024, there were no borrowings outstanding under this credit facility. As of December 31, 2025, MHC was in compliance with the covenants of its credit facility.

(8) Long-term Debt

Refer to Note 8 of MidAmerican Energy's Notes to Financial Statements for detail and a discussion of its long-term debt. In addition to MidAmerican Energy's annual repayments of long-term debt, MidAmerican Funding parent company has $239 million of 6.927% Senior Bonds due in 2029, with a carrying value of $240 million as of December 31, 2025 and 2024.

The MidAmerican Funding parent company bonds are the direct senior secured obligations of MidAmerican Funding and effectively rank junior to all indebtedness and other liabilities of the direct and indirect subsidiaries of MidAmerican Funding, to the extent of the assets of these subsidiaries. MidAmerican Funding may redeem the bonds in whole or in part at any time at a redemption price equal to the sum of any accrued and unpaid interest to the date of redemption and the greater of (1) 100% of the principal amount of the bonds or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the bonds, discounted to the date of redemption on a semiannual basis at the treasury yield plus 25 basis points.

MidAmerican Funding parent company long-term debt is secured by a pledge of the common stock of MHC, which is not publicly traded. In the event of any triggering event under the related debt indenture, the common stock of MHC would be available to satisfy the applicable debt obligations. Triggering events include, among other specified circumstances, (1) default on the payment of interest for 30 days or principal for three days; (2) a material default in the performance of any material covenants or obligations in the indenture continuing for a period of 90 days after written notice in accordance with the indenture; or (3) the failure generally of MidAmerican Funding or any significant subsidiary to pay its debts when due.

Subsidiaries of MidAmerican Funding must make payments on their own indebtedness before making distributions to MidAmerican Funding. Refer to Note 8 of MidAmerican Energy's Notes to Financial Statements for a discussion of utility regulatory restrictions affecting distributions from MidAmerican Energy. As a result of the utility regulatory restrictions agreed to by MidAmerican Energy in March 1999, MidAmerican Funding had restricted net assets of $7 billion as of December 31, 2025.

As of December 31, 2025, MidAmerican Funding was in compliance with all of its applicable long-term debt covenants.

Each of MidAmerican Funding's direct or indirect subsidiaries is organized as a legal entity separate and apart from MidAmerican Funding and its other subsidiaries. It should not be assumed that any asset of any subsidiary of MidAmerican Funding will be available to satisfy the obligations of MidAmerican Funding or any of its other subsidiaries; provided, however, that unrestricted cash or other assets which are available for distribution may, subject to applicable law and the terms of financing arrangements of such parties, be advanced, loaned, paid as dividends or otherwise distributed or contributed to MidAmerican Funding, one of its subsidiaries or affiliates thereof.

(9) Income Taxes

Berkshire Hathaway includes BHE and subsidiaries in its U.S. federal income tax return and BHE includes its subsidiaries in certain state income tax returns. Consistent with established regulatory practice, MidAmerican Funding's provision for federal and state income tax have been computed on a stand-alone basis, and substantially all of its currently payable or receivable income tax is remitted to or received from BHE pursuant to a tax allocation agreement. Income before income tax expense (benefit) as reported on the Consolidated Statements of Operations, is all domestic.

MidAmerican Funding's income tax expense (benefit) consists of the following for the years ended December 31 (in millions):

	2025	2024	2023
Current:			
Federal	$ (785)	$ (888)	$ (756)
State	(13)	(36)	(29)
	(798)	(924)	(785)
Deferred:			
Federal	79	80	109
State	(1)	2	(18)
	78	82	91
Investment tax credits	(1)	(1)	(1)
Total	$ (721)	$ (843)	$ (695)

The following table presents the income taxes paid (received), net of refunds, for the years ended December 31 (in millions):

	2025	2024	2023
Jurisdiction:			
Federal	$ (705)	$ (868)	$ (823)
State	(19)	(35)	(32)
Total[1]	$ (724)	$ (903)	$ (855)

(1) Substantially all income taxes paid or (received) by MidAmerican Funding are pursuant to a tax allocation agreement.

A reconciliation of the federal statutory income tax rate to MidAmerican Funding's effective income tax rate applicable to income before income tax expense (benefit) is as follows for the years ended December 31:

	2025		2024		2023	
	Amount	Percent	Amount	Percent	Amount	Percent
U.S. federal statutory tax rate	$ 69	21.0 %	$ 31	21.0 %	$ 60	21.0 %
State income tax, net of federal income tax effect[1]	(11)	(3.4)	(27)	(18.2)	(37)	(13.0)
Energy-related tax credits	(762)	(233.0)	(811)	(548.0)	(682)	(239.3)
Nontaxable or nondeductible items	(3)	(0.9)	(5)	(3.5)	(3)	(1.1)
Changes in unrecognized tax benefits	1	0.4	1	0.7	1	0.4
Effects of ratemaking	(15)	(4.6)	(32)	(21.6)	(34)	(11.9)
Effective income tax rate	$ (721)	(220.5)%	$ (843)	(569.6)%	$ (695)	(243.9)%

(1) State tax in Iowa made up the majority (greater than 50%) of the tax effect in this category.

Energy-related tax credits relate primarily to production tax credits ("PTC") earned by MidAmerican Energy's wind- and solar-powered generating facilities. Federal renewable electricity PTCs are earned as energy from qualifying wind- and solar-powered generating facilities is produced and sold and are based on a per-kilowatt hour rate pursuant to the applicable federal income tax law. Wind- and solar-powered generating facilities are eligible for the credits for 10 years from the date the qualifying generating facilities are placed in-service.

MidAmerican Funding's net deferred income tax liability consists of the following as of December 31 (in millions):

	2025	2024
Deferred income tax assets:		
Regulatory liabilities	$ 271	$ 249
Asset retirement obligations	228	216
State carryforwards	65	66
Revenue sharing	39	47
Employee benefits	1	10
Other	48	81
Total deferred income tax assets	652	669
Valuation allowances	(2)	(2)
Total deferred income tax assets, net	650	667
Deferred income tax liabilities:		
Property-related items	(4,364)	(4,154)
Regulatory assets	(42)	(134)
Other	(2)	(3)
Total deferred income tax liabilities	(4,408)	(4,291)
Net deferred income tax liability	$ (3,758)	$ (3,624)

As of December 31, 2025, MidAmerican Funding's state tax carryforwards, principally related to $968 million of net operating losses, expire at various intervals between 2026 and 2046.

The U.S. Internal Revenue Service has closed or effectively settled its examination of MidAmerican Funding's income tax returns through December 31, 2013. The statute of limitations for MidAmerican Funding's income tax returns have expired for certain states through December 31, 2011 and December 31, 2013, and for other states through December 31, 2021, except for the impact of any federal audit adjustments.

A reconciliation of the beginning and ending balances of MidAmerican Funding's net unrecognized tax benefits is as follows for the years ended December 31 (in millions):

	2025	2024
Beginning balance	$ 22	$ 22
Additions based on tax positions related to the current year	8	5
Interest	2	2
Reductions based on tax positions related to the current year	(6)	(7)
Ending balance	$ 26	$ 22

As of December 31, 2025, MidAmerican Funding had unrecognized tax benefits totaling $60 million that, if recognized, would have an impact on the effective tax rate. The remaining unrecognized tax benefits relate to tax positions for which ultimate deductibility is highly certain but for which there is uncertainty as to the timing of such deductibility. Recognition of these tax benefits, other than applicable interest and penalties, would not affect MidAmerican Funding's effective income tax rate.

(10) Employee Benefit Plans

Refer to Note 10 of MidAmerican Energy's Notes to Financial Statements for additional information regarding MidAmerican Funding's pension, supplemental retirement and postretirement benefit plans.

Pension and postretirement costs allocated by MidAmerican Funding to its parent and other affiliates in each of the years ended December 31, were as follows (in millions):

	2025	2024	2023
Pension costs	$ 11	$ 11	$ 14
Other postretirement costs	(2)	2	2

(11) Asset Retirement Obligations

Refer to Note 11 of MidAmerican Energy's Notes to Financial Statements.

(12) Fair Value Measurements

Refer to Note 12 of MidAmerican Energy's Notes to Financial Statements.

MidAmerican Funding's long-term debt is carried at cost on the Consolidated Financial Statements. The fair value of MidAmerican Funding's long-term debt is a Level 2 fair value measurement and has been estimated based upon quoted market prices, where available, or at the present value of future cash flows discounted at rates consistent with comparable maturities with similar credit risks. The carrying value of MidAmerican Funding's variable-rate long-term debt approximates fair value because of the frequent repricing of these instruments at market rates. The following table presents the carrying value and estimated fair value of MidAmerican Funding's long-term debt as of December 31 (in millions):

	2025		2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term debt	$ 9,447	$ 8,672	$ 9,064	$ 8,166

(13) Commitments and Contingencies

Refer to Note 13 of MidAmerican Energy's Notes to Financial Statements.

Legal Matters

MidAmerican Funding is party to a variety of legal actions arising out of the normal course of business. MidAmerican Funding does not believe that such normal and routine litigation will have a material impact on its consolidated financial results.

(14) Revenue from Contracts with Customers

Refer to Note 14 of MidAmerican Energy's Notes to Financial Statements.

(15) Member's Equity

In 2025 and 2024, MidAmerican Funding paid $474 million and $425 million, respectively, in cash distributions to its parent company, BHE.

(16) Other Income (Expense)

Other, net, as shown on the Consolidated Statements of Operations, includes the following other income (expense) items for the years ended December 31 (in millions):

	2025	2024	2023
Corporate-owned life insurance income	$ 22	$ 29	$ 23
Gains on sales of assets and other investments	—	—	12
Non-service cost components of postretirement employee benefit plans	10	8	8
Interest income and other, net	34	47	5
Total	$ 66	$ 84	$ 48

(17) Supplemental Cash Flow Information

The summary of supplemental cash flow information as of and for the years ending December 31 is as follows (in millions):

	2025	2024	2023
Supplemental disclosure of cash flow information:			
Interest paid, net of amounts capitalized	$ 381	$ 391	$ 317
Supplemental disclosure of non-cash investing and financing transactions:			
Accruals related to property, plant and equipment additions	$ 239	$ 108	$ 193

(18) Related Party Transactions

The companies identified as affiliates of MidAmerican Funding are Berkshire Hathaway and its subsidiaries, including BHE and its subsidiaries. The basis for the following transactions is provided for in-service agreements between MidAmerican Funding and the affiliates.

MidAmerican Funding is reimbursed for charges incurred on behalf of its affiliates. The majority of these reimbursed expenses are for allocated general costs, such as insurance and building rent, and for employee wages, benefits and costs for corporate functions, such as information technology, human resources, treasury, legal and accounting. The amount of such reimbursements was $85 million, $88 million and $94 million for 2025, 2024 and 2023, respectively.

MidAmerican Funding reimbursed BHE in the amount of $76 million, $124 million and $123 million in 2025, 2024 and 2023, respectively, for its share of technology costs, corporate expenses and other costs. Amounts charged to MidAmerican Funding in 2025 and 2024 were primarily reflected in construction work-in-progress on the Consolidated Balance Sheets as of December 31, 2025 and 2024.

MidAmerican Energy purchases, in the normal course of business at either tariffed or market prices, natural gas transportation and storage capacity services from Northern Natural Gas Company, a wholly owned subsidiary of BHE and coal transportation services from BNSF Railway Company, a wholly owned subsidiary of Berkshire Hathaway. These purchases totaled $142 million, $133 million and $141 million in 2025, 2024 and 2023, respectively.

MHC has a $300 million revolving credit arrangement carrying interest at the One Month Term Secured Overnight Financing Rate, plus a spread, to borrow from BHE. Outstanding balances are unsecured and due on demand. The outstanding balance was $7 million at an interest rate of 4.193% as of December 31, 2025, and $13 million at an interest rate of 4.875% as of December 31, 2024, and is reflected as note payable to affiliate on the Consolidated Balance Sheet.

MidAmerican Funding had accounts receivable from affiliates of $29 million and $19 million as of December 31, 2025 and 2024, respectively, that are included in other current assets on the Consolidated Balance Sheets. MidAmerican Funding also had accounts payable to affiliates of $27 million and $16 million as of December 31, 2025 and 2024, respectively, that are included in accounts payable on the Consolidated Balance Sheets.

MidAmerican Funding is party to a tax allocation agreement and is part of the Berkshire Hathaway consolidated U.S. federal income tax return and certain BHE consolidated state income tax returns. For current federal and state income taxes, MidAmerican Funding had a net receivable from BHE of $79 million and $1 million as of December 31, 2025 and 2024, respectively. MidAmerican Funding received net cash payments for federal and state income taxes from BHE totaling $724 million, $903 million and $855 million for the years ended December 31, 2025, 2024 and 2023, respectively.

MidAmerican Funding recognizes the full amount of the funded status for its pension and postretirement plans, and amounts attributable to MidAmerican Funding's affiliates that have not previously been recognized through income are recognized as an intercompany balance with such affiliates. MidAmerican Funding adjusts these balances when changes to the funded status of the respective plans are recognized and does not intend to settle the balances currently. Amounts receivable from affiliates attributable to the funded status of employee benefit plans totaled $73 million and $70 million as of December 31, 2025 and 2024, respectively, and are included in other assets on the Consolidated Balance Sheets. Similar amounts payable to affiliates totaled $76 million and $68 million as of December 31, 2025 and 2024, respectively, and are included in other long-term liabilities on the Consolidated Balance Sheets. See Note 10 for further information pertaining to pension and postretirement accounting.

The indenture pertaining to MidAmerican Funding's long-term debt restricts MidAmerican Funding from paying a distribution on its equity securities, unless after making such distribution either its debt to total capital ratio does not exceed 0.67:1.0 and its interest coverage ratio is not less than 2.2:1.0 or its senior secured long-term debt rating is at least BBB or its equivalent. MidAmerican Funding may seek a release from this restriction upon delivery to the indenture trustee of written confirmation from the ratings agencies that without this restriction MidAmerican Funding's senior secured long-term debt would be rated at least BBB+.

(19) Segment Information

MidAmerican Funding's chief operating decision maker ("CODM") is its President. Net income for each reportable segment is considered by the CODM in allocating resources and capital. The CODM generally considers actual results versus historical results, budgets or forecasts, as well as unique risks and opportunities, when making decisions about the allocation of resources and capital to each reportable segment.

MidAmerican Funding has identified two reportable operating segments: regulated electric and regulated natural gas. The regulated electric segment derives most of its revenue from regulated retail sales of electricity to residential, commercial, and industrial customers and from wholesale sales. The regulated natural gas segment derives most of its revenue from regulated retail sales of natural gas to residential, commercial, and industrial customers and also obtains revenue by transporting natural gas owned by others through its distribution system. Pricing for regulated electric and regulated natural gas sales are established separately by regulatory agencies; therefore, management also reviews each segment separately to make decisions regarding allocation of resources and in evaluating performance. Common operating costs are allocated to each segment based on certain factors, which primarily relate to the nature of the cost.

The following tables provide information on a reportable segment basis for the year ended December 31 (in millions):

	2025			
	Electric	Natural Gas	Other[1]	Total
Operating revenue	$ 3,124	$ 778	$ 5	$ 3,907
Cost of sales	713	480	—	1,193
Operations and maintenance	784	148	1	933
Depreciation and amortization	962	69	—	1,031
Property and other taxes	162	14	—	176
Interest expense	374	31	18	423
Interest and dividend income	30	3	—	33
Income tax expense (benefit)	(724)	8	(5)	(721)
Other segment items[2]	134	12	(3)	143
Net income	$ 1,017	$ 43	$ (12)	$ 1,048
Capital expenditures	$ 1,622	$ 150	$ 8	$ 1,780

	2024			
	Electric	Natural Gas	Other[1]	Total
Operating revenue	$ 2,584	$ 658	$ 9	$ 3,251
Cost of sales	430	367	—	797
Operations and maintenance	757	121	1	879
Depreciation and amortization	935	66	—	1,001
Property and other taxes	152	14	—	166
Interest expense	387	30	17	434
Interest and dividend income	37	3	—	40
Income tax expense (benefit)	(841)	(1)	(1)	(843)
Other segment items[2]	129	7	(2)	134
Net income	$ 930	$ 71	$ (10)	$ 991
Capital expenditures	$ 1,580	$ 114	$ 10	$ 1,704

	2023			
	Electric	Natural Gas	Other(1)	Total
Operating revenue	$ 2,673	$ 713	$ 7	$ 3,393
Cost of sales	501	451	—	952
Operations and maintenance	711	138	2	851
Depreciation and amortization	846	62	—	908
Property and other taxes	144	17	—	161
Interest expense	320	26	16	362
Interest and dividend income	22	2	—	24
Income tax expense (benefit)	(676)	(14)	(5)	(695)
Other segment items(2)	80	15	7	102
Net income	$ 929	$ 50	$ 1	$ 980
Capital expenditures	$ 1,683	$ 149	$ 1	$ 1,833

	As of December 31,		
	2025	2024	2023
Assets:			
Regulated electric	$ 26,686	$ 25,350	$ 24,525
Regulated natural gas	2,224	2,035	1,979
Other(1)	8	5	5
Total assets	$ 28,918	$ 27,390	$ 26,509
Goodwill:			
Regulated electric	$ 1,191	$ 1,191	$ 1,191
Regulated natural gas	79	79	79
Total goodwill	$ 1,270	$ 1,270	$ 1,270

(1) The differences between the reportable segment amounts and the consolidated amounts, described as Other, consists of the nonregulated subsidiaries of MidAmerican Funding not engaged in the energy business.

(2) Other segment items include allowance for borrowed and equity funds, gains (losses) on marketable securities and other income (expense).

SIGNATURES

MIDAMERICAN ENERGY COMPANY

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on this 27th day of February 2026.

MIDAMERICAN ENERGY COMPANY

/s/ Kelcey A. Brown

Kelcey A. Brown
Director, President and Chief Executive Officer
(principal executive officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

Signature	Title	Date
/s/ Kelcey A. Brown Kelcey A. Brown	Director, President and Chief Executive Officer (principal executive officer)	February 27, 2026
/s/ Blake M. Groen Blake M. Groen	Director, Vice President and Chief Financial Officer (principal financial and accounting officer)	February 27, 2026

SIGNATURES

MIDAMERICAN FUNDING, LLC

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on this 27th day of February 2026.

MIDAMERICAN FUNDING, LLC

/s/ Kelcey A. Brown

Kelcey A. Brown
Manager and President
(principal executive officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated:

Signature	Title	Date
/s/ Kelcey A. Brown Kelcey A. Brown	Manager and President (principal executive officer)	February 27, 2026
/s/ Blake M. Groen Blake M. Groen	Vice President and Controller (principal financial and accounting officer)	February 27, 2026
/s/ Daniel S. Fick Daniel S. Fick	Manager	February 27, 2026
/s/ Calvin D. Haack Calvin D. Haack	Manager	February 27, 2026
/s/ Natalie L. Hocken Natalie L. Hocken	Manager	February 27, 2026