

Berkshire Hathaway unit buys NV Energy

By Kristin Jones, Wall Street Journal

A unit of Berkshire Hathaway Inc. has agreed to buy NV Energy Inc. in a deal that values the Nevada-based utilities company at \$5.59 billion.

The deal has an enterprise value of about \$10 billion, the companies said. Representatives from the companies weren't immediately available to comment on what is included in the enterprise value.

MidAmerican Energy Holdings Co., the Berkshire Hathaway subsidiary, has agreed to acquire the energy company at \$23.75 a share, a premium of around 23 percent to NV Energy's Wednesday closing price.

The transaction, which is subject to state and federal approval and other conditions, is expected to close in the first quarter of 2014.

"Part of what attracted MidAmerican to NV Energy is its solid commitment to the state of Nevada" and its performance as a high-quality energy company, said MidAmerican Chief Executive Greg Abel, adding that the company is impressed with the strategic direction of NV Energy Chief Executive Michael Yackira.

Abel said MidAmerican brings stability, expertise and competitively priced capital to NV Energy.

NV Energy will operate under its current name as a separate corporate subsidiary of MidAmerican, and it will continue to be based in Las Vegas.

NV Energy supplies power to residents on the Nevada side of

the Lake Tahoe Basin.

Upon completion of the deal, MidAmerican Energy Holdings will have assets of around \$66 billion and its regulated utilities will serve 8.4 million customers.

NV Energy's Sierra Pacific and Nevada Power units have cut expenses, particularly fuel purchases, in an effort to counterbalance lower revenue recently. The company's first-quarter earnings rose 76% as it sharply reduced expenses.

NV Energy shares rose 23 percent after hours to \$23.75.