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SIERRA PACIFIC POWER COMPANY

TO

NEW ENGLAND MERCHANTS NATIONAL BANK  
OF BOSTON  
(successor to The New England Trust Company)

AND

FLETCHER C. CHAMBERLIN  
AS TRUSTEES

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**Eleventh Supplemental Indenture**

*Dated as of October 1, 1966*

Supplemental to Indenture of Mortgage dated as of December 1, 1940,  
as supplemented and modified.

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This is a Security Agreement covering personal property as well as  
other property real and/or personal.

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**THIS ELEVENTH SUPPLEMENTAL INDENTURE** dated as of the First day of October, 1965, by and between **SIERRA PACIFIC POWER COMPANY**, as Debtor (its Federal tax number being 88-0044418), a corporation duly organized and existing under the laws of the State of Nevada (hereinafter sometimes called the "Company"), whose mailing address and address of its chief place of business is 220 South Virginia Street, Reno, Nevada, party of the first part, and **NEW ENGLAND MERCHANTS NATIONAL BANK OF BOSTON** (successor to **THE NEW ENGLAND TRUST COMPANY**), a national banking association duly organized and existing under the laws of the United States of America, and having its chief place of business at 28 State Street, Boston, Massachusetts, as Trustee and Secured Party (its Federal tax number being 04-2274939) and **FLETCHER C. CHAMBERLIN**, as Co-Trustee and Secured Party (whose Social Security number is 018-18-5317 and whose residence address is 52 Brush Hill Road, Sherborn, Massachusetts), the mailing address of each of whom is 28 State Street, Boston, Massachusetts (both of whom are hereinafter sometimes called the "Trustees", the former being hereinafter sometimes called the "Trustee" and the latter the "Individual Trustee" or "Co-Trustee"), parties of the second part.

WHEREAS, **Sierra Pacific Power Company** (formerly known as **The Truckee River General Electric Company** and also as **Truckee River Power Company**), a corporation duly organized and existing under the laws of the State of Maine (hereinafter called the "Predecessor Company"), has heretofore executed and delivered to **The New England Trust Company** and **Leo W. Huegle**, as Trustees, an Indenture of Mortgage, dated as of December 1, 1940 (hereinafter called the "Original Indenture") to secure, as provided therein, its bonds (in the Original Indenture and herein called the "Bonds") to be designated generally as its First Mortgage Bonds and to be issued in one or more series as provided in the Original Indenture; and

WHEREAS, by virtue of §15.24 of the Original Indenture **New England Merchants National Bank of Boston** is now qualified and acting as successor Trustee thereunder as the result of the conversion of **The New England Trust Company** into a national banking association under the name **New England National Bank of Boston** on October 17, 1960, and the consolidation of said national banking association with **The**

Merchants National Bank of Boston under the name New England Merchants National Bank of Boston as of December 31, 1960; and

WHEREAS, on April 11, 1947, Leo W. Huegle, Co-Trustee under the Original Indenture, resigned, and the Predecessor Company and the Trustee, in accordance with the provisions of § 15.20 of the Original Indenture, accepted such resignation and appointed Fletcher C. Chamberlin as successor Co-Trustee thereunder and Fletcher C. Chamberlin is now the qualified and acting Co-Trustee thereunder; and

WHEREAS, the Predecessor Company heretofore executed and delivered to the Trustees nine Supplemental Indentures dated, respectively, as of August 1, 1947, April 1, 1948, October 1, 1952, November 1, 1954, November 1, 1956, April 1, 1958, May 1, 1961, June 1, 1962 and June 1, 1964 supplementing and/or modifying the Original Indenture, pursuant to each of which the Company provided for the creation of a new series of First Mortgage Bonds; and

WHEREAS, the Predecessor Company was merged into the Company on March 31, 1965, whereupon the Company acquired all the property, real, personal or mixed, including all rights, privileges, easements, licenses and franchises, described in the Original Indenture as theretofore supplemented and modified and thereby conveyed or mortgaged or intended so to be, including all such property acquired by the Predecessor Company since the execution and delivery of the Original Indenture, which by the terms of the Original Indenture as theretofore supplemented and modified is subjected or intended to be subjected to the lien thereof, and the Company thereupon executed and delivered to the Trustees a Tenth Supplemental Indenture dated as of March 31, 1965, whereby the Company succeeded to the Predecessor Company with the same effect as if the Company had been named in the Original Indenture as the mortgagor company and in the Bonds and coupons as the obligor thereon or maker thereof; and

WHEREAS, pursuant to the Original Indenture, as so supplemented and modified, there have been executed, authenticated and delivered

and there are now outstanding First Mortgage Bonds of series and in principal amounts as follows:

<u>Title</u>	<u>Issued and Outstanding</u>
Series A Bonds 3¼%, due December 1, 1970 . . . .	\$3,000,000
2⅞% Bonds of 1977 Series . . . . .	975,000
3⅞% Bonds of 1978 Series . . . . .	3,500,000
3⅞% Bonds of 1984 Series . . . . .	4,000,000
5¼% Bonds of 1986 Series . . . . .	3,000,000
4½% Bonds of 1988 Series . . . . .	3,000,000
5 % Bonds of 1991 Series . . . . .	6,500,000
4⅞% Bonds of 1992 Series . . . . .	5,000,000
4¾% Bonds of 1994 Series . . . . .	7,000,000

WHEREAS, the Board of Directors of the Company has established under said Original Indenture, as supplemented and modified, a new series of Bonds to be designated First Mortgage Bonds, 5% Series due 1995, to be dated as of October 1, 1965 and to be due October 1, 1995 (hereinafter sometimes referred to as "Bonds of the 1995 Series") and has authorized the initial issue of Bonds of the 1995 Series in the principal amount of Ten Million Dollars (\$10,000,000) pursuant to the provisions of Article 3 of the Original Indenture to obtain funds for its corporate purposes; and

WHEREAS, §16.01 of the Original Indenture provides, among other things, that the Company may execute and file with the Trustees and the Trustees at the request of the Company shall join in indentures supplemental to the Original Indenture and which thereafter shall form a part thereof, for the purposes, among others, of (a) describing the terms of any new series of Bonds as established by resolution of the Board of Directors of the Company pursuant to §2.03 of the Original Indenture, (b) subjecting to the lien of the Original Indenture, or perfecting the lien thereof upon, any additional properties of any character and (c) for any other purpose not inconsistent with the terms of the Original Indenture and which shall not impair the security of the same, or for the purpose of curing any ambiguity or curing, correcting or supplementing any defective or inconsistent provision contained therein; and

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WHEREAS, the Company desires to execute this Eleventh Supplemental Indenture and hereby requests the Trustees to join in this Eleventh Supplemental Indenture for the purpose of describing the terms of the Bonds of the 1995 Series and subjecting to the lien of the Original Indenture, as supplemented and modified, or perfecting the lien thereof upon, additional properties acquired by the Company since the execution and delivery of the Original Indenture (the Original Indenture, as heretofore supplemented and modified and as hereby supplemented being herein sometimes called the "Indenture"); and

WHEREAS, all conditions necessary to authorize the execution, delivery and recording of this Eleventh Supplemental Indenture and to make this Eleventh Supplemental Indenture a valid and binding Indenture of Mortgage for the security of the Bonds of the Company issued or to be issued under the Indenture have been complied with or have been done or performed;

Now, THEREFORE, THIS INDENTURE WITNESSETH:

That, in order to secure equally and ratably the payment of the principal and interest of the Bonds issued under and secured by the Original Indenture, as heretofore supplemented and modified and hereby supplemented, at any time outstanding, according to their tenor and effect, and the performance of all the covenants and conditions in the Indenture and in said Bonds contained, the Company for and in consideration of the premises and of the purchase and acceptance of said Bonds by the holders thereof, and of the sum of one dollar (\$1.00) and of other valuable consideration to it duly paid by the Trustees at or before the execution and delivery of these presents, the receipt whereof is hereby acknowledged, has executed and delivered these presents, and has granted, bargained, sold, conveyed, transferred, pledged, assigned, remised, released, mortgaged, set over and confirmed, and by these presents does grant, bargain, sell, convey, transfer, pledge, assign, remise, release, mortgage, set over and confirm, all of the property hereinafter described (except the property described in Part V hereof), which has been acquired by the Company since the execution and delivery by it of the Original Indenture, that part not situated in the State of California unto the Trustees and their successors and assigns, and that part situated in the State of California unto the Individual Trustee and his successors and assigns, to wit

**PART I.****Real Property in the State of Nevada.**

The following described pieces, parcels or tracts of land, rights of way, easements and rights and interests in and to land lying and being in the State of Nevada, together with all improvements of every description thereon situate or in any wise incident or appertaining thereto:

**WASHOE COUNTY, NEVADA**

(1) The following described property situate in Washoe County, Nevada, which Nevada Title Guaranty Company conveyed to Sierra Pacific Power Company by deed dated February 9, 1964 and recorded in Book 738 of Deeds, Page 1, Records of Washoe County, Nevada:

A parcel of land situate in the Southeast one-quarter (SE $\frac{1}{4}$ ) of Section 24 and the Northeast one-quarter (NE $\frac{1}{4}$ ) of Section 25, T19N R19E MDB&M, Washoe County, Nevada, described as follows:

Commencing at the Southeast corner of said Section 25;

Thence North 19° 30' 46" West 4415.35 feet to a point which lies on the East right of way of U. S. Highway 395 (South Virginia Street);

Thence along said right of way line North 20° 47' 35" West 888.93 feet to the true point of beginning;

Thence along said right of way line the following courses and distances:

North 20° 47' 35" West 19.16 feet to a point on a curve whose tangent bears the last described course; thence along said curve to the right having a central angle of 3° 10' 42" and a radius of 2459.0 feet along an arc length of 136.41 feet to a point of reverse curvature; thence along said curve to the left having a central angle of 4° 04' 02" and a radius of 2641.0 feet along an arc length of 180.38 feet;

Thence North 21° 40' 55" West 34.98 feet;

Thence leaving said right of way line on a curve whose tangent bears the last described course, on a curve to the right having a central angle of 90° 04' 18" and a radius of 30.0 feet along an arc length of 47.16 feet to a point which lies on the South right of way line of the proposed extension of Moana Lane;

Thence along said line North 68° 23' 23" East 620.85 feet;

Thence South 20° 47' 57" East 400.64 feet;

Thence South 68° 23' 23" West 657.34 feet to the true point of beginning.

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(2) The following described property situate in Washoe County, Nevada, which Fibreboard Paper Products Corporation conveyed to Sierra Pacific Power Company by deed dated October 22, 1963 and recorded in Book 716 of Deeds, Page 172, Records of Washoe County, Nevada:

A parcel of land situate in the Northeast one-quarter (NE $\frac{1}{4}$ ) of the Northeast one-quarter (NE $\frac{1}{4}$ ) of Section 4, T18N R18E MDB&M, Washoe County, Nevada, described as follows:

Commencing at the section corner common to Sections 33 and 34, T19N R18E MDB&M and Sections 4 and 3, T18N R18E MDB&M;

Thence South 56° 08' 36" West 939.3 feet to the true point of beginning;

Thence South 2° 03' 27" West 400.0 feet;

Thence North 87° 56' 33" West 400.0 feet;

Thence North 2° 03' 27" East 400.0 feet;

Thence South 87° 56' 33" East 400.0 feet to the true point of beginning, comprising 3.673 acres, more or less.

(3) The following described property situate in Washoe County, Nevada, which Joseph W. Baldecchi and Dorothy Gale Baldecchi conveyed to Sierra Pacific Power Company by deed dated August 28, 1962 and recorded in Book 644 of Deeds, Page 475, Records of Washoe County, Nevada:

A parcel of land situate in the Southwest one-quarter (SW $\frac{1}{4}$ ) of the Northeast one-quarter (NE $\frac{1}{4}$ ) of Section 28, T18N R20E MDB&M, described as follows:

Beginning at a point marked by a  $\frac{1}{2}$ " iron bar, said point marking the Southeast corner of the Southwest one-quarter (SW $\frac{1}{4}$ ) of the Northeast one-quarter (NE $\frac{1}{4}$ ) of said Section 28;

Thence North 89° 53' 41" West 1248.65 feet more or less, to a point on the easterly right of way line of U. S. Highway 395;

Thence North 10° 51' 30" West 48.34 feet along said eastern right of way line to a point;

Thence South 87° 44' 02" East 1258.74 feet more or less, to the place of beginning, containing 0.680 of an acre, more or less.

(4) The following described property situate in Washoe County, Nevada, which John S. Field and Alma Field conveyed to Sierra Pacific Power Company by deed dated August 8, 1962 and recorded in Book 644 of Deeds, Page 469, Records of Washoe County, Nevada:

A parcel of land situate in the Northeast one-quarter (NE $\frac{1}{4}$ ) of the Southeast one-quarter (SE $\frac{1}{4}$ ) of Section 28, T18N R20E MDB&M, described as follows:

Commencing at the East one-quarter corner of said Section 28;  
Thence North 89° 51' 37" West 108.63 feet more or less, to the true point of beginning, said point of beginning being a point on a curve of the southwesterly right of way line of Nevada State Highway 17;

Thence North 89° 51' 37" West 425.65 feet more or less, along the East-West one quarter section line of said Section 28, to a point designated by an iron pipe and being a point on the easterly right of way line of the Old Virginia City Highway;

Thence South 35° 41' 29" East 61.67 feet along the said easterly Highway right of way line;

Thence South 89° 51' 37" East 467.48 feet more or less, to a point on the curve of the southwesterly right of way line of said Nevada State Highway 17;

Thence from a tangent which bears North 57° 26' 31" West curving to the right along the said southwesterly Highway right of way line, with a radius of 10,050 feet through an angle of 0° 31' 40" an arc distance of 92.60 feet, the chord of which bears North 57° 10' 40" West to the place of beginning. Containing 0.513 of an acre, more or less.

(5) The following described property situate in Washoe County, Nevada, which Richard H. Hobson and Marietta P. Hobson conveyed to Sierra Pacific Power Company by deed dated June 20, 1962 and recorded in Book 638 of Deeds, Page 371, Records of Washoe County, Nevada:

A parcel of land situate in the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southeast one-quarter (SE $\frac{1}{4}$ ) of Section 28, T18N R20E MDB&M, described as follows:

Beginning at a point marked by a  $\frac{1}{2}$ " iron bar, said point marking the Northeast corner of the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southeast one-quarter (SE $\frac{1}{4}$ ) of said Section 28;

Thence South 50.0 feet along the eastern line of the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southeast one-quarter (SE $\frac{1}{4}$ ) of said Section 28;

Thence North 87° 44' 01" West 1249.07 feet more or less, to a point on the eastern right of way line of U. S. Highway 395;

Thence North 10° 51' 30" West 2.95 feet along said eastern right of way line to a point on the northern line of the Northwest



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one-quarter (NW $\frac{1}{4}$ ) of the Southeast one-quarter (SE $\frac{1}{4}$ ) of said Section 28;

Thence South 89° 53' 41" East 1248.65 feet along the northern line of said Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southeast one-quarter (SE $\frac{1}{4}$ ) to the place of beginning, containing 0.753 of an acre, more or less.

(6) The following described property situate in Washoe County, Nevada, which Ada W. Tarner (also known as Ada M. Tarner) and Frank D. Morser and Marjorie F. Morser conveyed to Sierra Pacific Power Company by deed dated October 30, 1958 and recorded in Book 495 of Deeds, Page 66, Records of Washoe County, Nevada:

A parcel of land situate in Lot 1 of the South one-half (S $\frac{1}{2}$ ) of the Northeast one-quarter (NE $\frac{1}{4}$ ) of Section 5, T19N R20E MDB&M, described as follows:

Beginning at a point, said point being the intersection of the westerly line of the property of the Grantors and the southerly right of way line of the Nevada State Highway Route S-727 (WA-59) said point of beginning described as being a point 50.0 feet right of and radially at right angles to Highway Engineer's Station "O" 117 + 37.82 P.O.C.;

Thence from a tangent which bears South 61° 26' 59" East curving to the right along the right or southerly 50.0 foot highway right of way line with a radius of 700.0 feet through an angle of 16° 31' 11", an arc distance of 201.79 feet more or less, to the intersection of said highway right of way line and the northerly boundary of the property conveyed to the Sierra Pacific Power Company by document number 222466, dated November 12, 1953, filed for record November 25, 1953 and recorded in Book 335 of Deeds at Page 367, Records of Washoe County, Nevada;

Thence North 89° 58' 51" West along said northerly boundary line a distance of 135.99 feet more or less, to the Northwest corner of said Sierra Pacific Power Company property;

Thence South 0° 01' 09" West along the West boundary of the said power company property, a distance of 145.50 feet to the Southwest corner thereof;

Thence North 5° 21' 13" West a distance of 267.20 feet more or less, to the point of beginning, containing .252 of an acre, more or less.

(7) The following described property situate in Washoe County, Nevada, which Vaughn Millwork Company of Nevada, Inc., (also

known as Vaughn Millwork Co.) conveyed to Sierra Pacific Power Company by deed dated 26th day of July, 1949 and recorded in Book 303 of Deeds, Page 426, Records of Washoe County, Nevada:

That portion of the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of Section 36, T20N R19E MDB&M, lying northerly of the northerly right of way line of the Western Pacific Railroad.

(8) The following described property situate in Washoe County, Nevada, which J. N. Evans, Inc., conveyed to Sierra Pacific Power Company by deed dated May 11, 1951 and recorded in Book 279 of Deeds, Page 325, Records of Washoe County, Nevada:

A parcel of land situate in the Northeast one-quarter (NE $\frac{1}{4}$ ) of the Southeast one-quarter (SE $\frac{1}{4}$ ) of Section 3, T19N R19E MDB&M, described as follows:

Beginning at a point on the easterly line of said Section 3, from which point the East one-quarter corner of said Section 3, bears North 0° 07' East 354.23 feet, and running;

Thence South 0° 07' West 30.0 feet;

Thence South 75° 23' 52" West 787.45 feet;

Thence South 85° 50' 58" West 91.95 feet;

Thence North 2° 15' East 11.05 feet to a concrete monument marking the Southwest corner of grantee's Highland Reservoir property;

Thence South 79° 50' 15" East 20.18 feet to a concrete monument;

Thence North 85° 50' 58" East 71.16 feet to a concrete monument;

Thence North 73° 43' 48" East 794.32 feet to the true point of beginning. Containing .33 of an acre, more or less.

Excepting therefrom that portion of said property which lies easterly of the westerly line of Washington Street.

(9) The following described property situate in Washoe County, Nevada, which Smith-Petersen & Co. conveyed to Sierra Pacific Power Company by deed dated February 28, 1962 and recorded in Book 629 of Deeds, Page 236, Records of Washoe County, Nevada:

A parcel of land situate in the Southeast one-quarter (SE $\frac{1}{4}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of Section 12, T19N R19E MDB&M, described as follows:

Starting at the section corner common to Sections 1 and 12,

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T19N R19E MDB&M and Sections 6 and 7, T19N R20E MDB&M;

Thence southerly along the range line 797.98 feet more or less, to the southerly boundary line of the Southern Pacific Railway right of way;

Thence westerly along said boundary line which bears South  $76^{\circ} 11'$  West 3832.2 feet to the true point of beginning for the description of this parcel of land;

Thence easterly along the South boundary line of the Southern Pacific Railway right of way, which bears North  $76^{\circ} 11'$  East 539.15 feet to a point;

Thence South  $12^{\circ} 57'$  East 35.0 feet more or less, to the North bank of the Sullivan-Kelly Ditch;

Thence westerly along the northerly bank of the said Sullivan-Kelly Ditch to the point of beginning.

(10) The following described property situate in Washoe County, Nevada, which Crystal Bay Development Co. conveyed to Sierra Pacific Power Company by deed dated April 8, 1964 and recorded in Book 745 of Deeds, Page 147, Records of Washoe County, Nevada:

A parcel of land situate in the Southeast one-quarter ( $SE\frac{1}{4}$ ) of Section 9 and of the Southwest one-quarter ( $SW\frac{1}{4}$ ) of Section 10, T16N R18E MDB&M, described as follows:

Beginning at the most northerly corner of Lot 11 as said Lot 11 is shown on the map of Edgewood Park Subdivision, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada on September 18, 1962;

Thence North  $60^{\circ} 11' 03''$  East 465.57 feet along the northwesterly boundary of said Edgewood Park Subdivision;

Thence leaving said Edgewood Park Subdivision North  $12^{\circ} 01' 27''$  West 151.76 feet on a radial bearing to a curve concave to the Northeast, having a radius of 45.0 feet and a central angle of  $127^{\circ} 37' 44''$ ;

Thence southwesterly, westerly, northwesterly, northerly and northeasterly along the arc of said curve an arc length of 100.24 feet;

Thence North  $69^{\circ} 04' 33''$  West 160.86 feet to a point on the easterly line of Nevada State Route 27 (New Mt. Rose Highway) as it now exists;

Thence South  $22^{\circ} 24' 00''$  West 285.0 feet along the said easterly line to the beginning of a tangent curve to the right, having a radius of 3300.0 feet, a central angle of  $05^{\circ} 15' 31''$  and is referred

to as Engineer's Station 83 + 41.83 on the map of said State Route #27;

Thence southwesterly along the easterly line of said Highway # 27 an arc length of 302.87 feet to an angle point on the northwesterly line of said Lot 11, Edgewood Park Subdivision;

Thence North 60° 11' 03" East 74.43 feet to the true point of beginning of this description. Containing 2.4 acres, more or less.

(11) The following described property situate in Washoe County, Nevada, which Douglas E. Baugus and Hazel Krail Baugus conveyed to Sierra Pacific Power Company by deed dated November 19, 1964 and recorded in Book 39 of Official Records, Page 459, Records of Washoe County, Nevada:

A parcel of land situate in the Southwest one-quarter (SW $\frac{1}{4}$ ) of the Northeast one-quarter (NE $\frac{1}{4}$ ) of Section 32, T20N R20E MDB&M, described as follows:

Commencing at the north quarter corner of Section 32, T20N R20E MDB&M;

Thence South 0° 47' 22" West along the North-South center line of said Section 32 a distance of 1533.66 feet;

Thence South 89° 12' 38" East 504.93 feet to the western line of the parcel of land conveyed to Charles E. Bell by deed recorded in Book 21, Page 446, Deed Records;

Thence South 17° 26' East along said last mentioned line 165.65 feet to the true point of beginning;

Thence continuing South 17° 26' East along said line 202.92 feet to the North bank of the Orr Ditch;

Thence along the North bank of the Orr Ditch North 44° 22' 06" West 229.77 feet;

Thence North 73° 37' 28" East 104.10 feet to the true point of beginning.

(12) The following described property situate in Washoe County, Nevada, which Mario Belli and Erminia Belli conveyed to Sierra Pacific Power Company by deed dated January 26, 1965 and recorded in Book 66 of Official Records, Page 259, Records of Washoe County, Nevada:

A parcel of land situate in the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of Section 15, T19N R18E MDB&M, described as follows:

Beginning at the one-quarter section corner common to Sections 15 and 16, T19N R18E MDB&M, as now established;

Thence South  $02^{\circ} 37' 25''$  West 82.64 feet to a point lying on the northerly right of way line of U. S. Interstate 80;

Thence along said U. S. Interstate 80 right of way North  $83^{\circ} 20' 00''$  East 164.81 feet;

Thence South  $11^{\circ} 56' 25''$  East 130.0 feet;

Thence North  $78^{\circ} 03' 35''$  East 326.19 feet more or less, to a point lying on the southerly right of way line of the Southern Pacific Company's railroad; thence northwesterly from a tangent bearing which bears North  $52^{\circ} 44' 04''$  West curving to the right along said railroad right of way with a radius of 3325.36 feet through an angle of  $0^{\circ} 24' 32''$  an arc distance of 23.73 feet; thence northwesterly from a tangent bearing which bears North  $52^{\circ} 19' 32''$  West curving to the right continuing along said railroad right of way line, with a radius of 3637.87 feet through an angle of  $2^{\circ} 26' 17''$  an arc distance of 154.79 feet, plus or minus, to a point lying on the north boundary of the Northwest one-quarter ( $NW\frac{1}{4}$ ) of the Southwest one-quarter ( $SW\frac{1}{4}$ ) of said Section 15;

Thence along said northerly boundary line North  $88^{\circ} 12' 10''$  West 366.82 feet more or less to the true point of beginning. Containing 1.234 acres, more or less.

(13) The following described property situate in Washoe County, Nevada, which Jesus M. Bustos and Domitila S. Bustos conveyed to Sierra Pacific Power Company by deed dated April 21, 1965 and recorded in Book 77 of Official Records, Page 557, Records of Washoe County, Nevada:

A parcel of land situate in Section 8, T19N R20E MDB&M, described as follows:

Lots 11 and 12 in Block 19 of the Town, now City of Sparks, Washoe County, Nevada, formerly known as New Wadsworth and Harriman, according to the map thereof filed in the office of the County Recorder of Washoe County, State of Nevada, on April 23, 1904.

(14) The following described property situate in Washoe County, Nevada, which Tejan Development Company conveyed to Sierra Pacific Power Company by deed dated April 21, 1965 and recorded in Book 77 of Official Records, Page 613, Records of Washoe County, Nevada:

A parcel of land situate in the North one-half ( $N\frac{1}{2}$ ) of the North one-half ( $N\frac{1}{2}$ ) of Section 22, T20N R19E MDB&M and also being a portion of Lot 7 of Raleigh Heights Subdivision Unit #1 filed for record in the office of the County Recorder of Washoe

County, Nevada, April 2, 1965, Filing #24441; and described as follows:

Commencing at the Southeast corner of Lot 7 of said Raleigh Heights Subdivision Unit #1, from which point the Southeast corner of the Northeast one-quarter (NE $\frac{1}{4}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of said Section 22 bears North 89° 29' 51" West 54.0 feet;

Thence South 89° 29' 51" East 60.17 feet along the southerly boundary of said Raleigh Heights Subdivision to the true point of beginning;

Thence North 55° 44' 48" East 105.80 feet to the Northeast corner of said Lot 7;

Thence South 11° 03' 55" East 60.0 feet along the westerly right of way line of the old State Highway 395 to the Southeast corner of said Raleigh Heights Subdivision;

Thence North 89° 29' 51" West 100.0 feet to the true point of beginning. Containing 0.6747 of an acre, more or less.

#### DOUGLAS COUNTY, NEVADA

(1) The following described property situate in Douglas County, Nevada, which Walker River Irrigation District conveyed to Sierra Pacific Power Company by deed dated June 10, 1963 and recorded in Book 18 of Official Records, Page 99, Records of Douglas County, Nevada:

A parcel of land situate in the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of Section 29, T10N R22E MDB&M, more particularly described as follows:

Beginning at a point designated by an iron pin situate in the Northwest one-quarter (NW $\frac{1}{4}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of said Section 29, from which point the center of said Section 29 bears North 89° 24' 16" East 1344.23 feet more or less, and running;

Thence North 89° 19' West 208.72 feet to a point marked by an iron pin;

Thence South 0° 04' West 208.73 feet to a point marked by an iron pin;

Thence South 89° 20' 15" East 208.72 feet to a point marked by an iron pin;

Thence North 0° 04' East 208.69 feet more or less, to the true point of beginning, containing 1.00 acre, more or less.

## LYON COUNTY, NEVADA

(1) The following described property situate in Lyon County, Nevada, which G. S. Williams (also known as Gil S. Williams) and Hellen G. Williams conveyed to Sierra Pacific Power Company by deed dated January 20, 1960 and recorded in Book 44 of Deeds, Page 227, Records of Lyon County, Nevada:

A parcel of land situate in the Southeast one-quarter (SE $\frac{1}{4}$ ) of Section 16, T13N R25E MDB&M, described as follows:

Beginning at a point on the easterly right of way line of the Mason Feeder Road "State Route #2-B", and opposite Engineer's Station "C" 118 + 31.01, said point further described as being North 84° 15' 23" East 4510.96 feet from the Southwest section corner of said Section 16;

Thence along said right of way line South 19° 31' 44" West 67.18 feet;

Thence South 70° 28' 16" East 182.73 feet;

Thence North 34° 08' 14" East 198.35 feet more or less, to a point on the southerly right of way line of said highway;

Thence along said right of way line North 55° 51' 46" West 105.49 feet;

Thence continuing on said right of way line South 36° 28' 00" West 7.81 feet;

Thence continuing along said right of way line North 53° 32' West 88.44 feet;

Thence further continuing on said right of way line curving to the left an arc distance of 177.12 feet with an internal angle of 28° 59' 22" and radius of 350.0 feet to the point of beginning. Containing 1.00 acre.

(2) The following described property situate in Lyon County, Nevada, which The United States of America, Bureau of Land Management conveyed to Sierra Pacific Power Company by Patent Number 27-65-0023 dated July 16, 1964, Nevada 061548:

The Northwest one-quarter (NW $\frac{1}{4}$ ) of the Northeast one-quarter (NE $\frac{1}{4}$ ); the Northwest one-quarter (NW $\frac{1}{4}$ ) and the North one-half (N $\frac{1}{2}$ ) of the Southwest one-quarter (SW $\frac{1}{4}$ ) of Section 14, T14N R25E MDB&M, Lyon County, Nevada. Containing 280 acres, more or less.

**PERSHING COUNTY, NEVADA**

The following described property situate in Pershing County, Nevada, which the City of Lovelock, a municipal corporation, conveyed to Sierra Pacific Power Company by deed dated March 22, 1965 and recorded in Book 32 of Official Records, Page 397, Records of Pershing County, Nevada.

The East one-half ( $E\frac{1}{2}$ ) of the Southwest one-quarter ( $SW\frac{1}{4}$ ) of the Northeast one-quarter ( $NE\frac{1}{4}$ ) and the West one-half ( $W\frac{1}{2}$ ) of the Southeast one-quarter ( $SE\frac{1}{4}$ ) of the Northeast one-quarter ( $NE\frac{1}{4}$ ) of Section 33, T29N R33E MDB&M, Pershing County, Nevada. Containing 40.0 acres more or less.

**STOREY COUNTY, NEVADA**

(1) The following described property situate in Storey County, Nevada, which Sister Mary Margaret Patricia McCarran, Patricia Hay Taylor (formerly Sylvia Patricia Hay), Mary Ladwina McCarran, Norine Isabelle McCarran and Samuel P. McCarran conveyed to Sierra Pacific Power Company by deed dated September 20, 1962 and recorded in Book 65 of Deeds, Page 77, Records of Storey County, Nevada, described as follows:

The South one-half ( $S\frac{1}{2}$ ) of the Northeast one-quarter ( $NE\frac{1}{4}$ ) of Section 32, T20N R22E MDB&M, Storey County, Nevada.

**PART II.****Real Property in the State of California.**

The following described pieces, parcels, or tracts of land, rights of way, easements and rights and interests in and to land lying and being in the State of California, together with all improvements of every description thereon, situate or in any wise incident or appertaining thereto:

**PLACER COUNTY, CALIFORNIA**

(1) The following described property situate in Placer County, California, which Lake Tahoe Gun Club, Inc. conveyed to Sierra Pacific Power Company by deed dated February 11, 1965 and recorded in Book 1053 of Official Records, Page 395, Records of Placer County, California:



A parcel of land situate in Section 11, T16N R17E MDB&M, described as follows:

Beginning at a point on the East line of said Section 11, from which point the Southeast corner thereof bears South 0° 06' West 880.0 feet;

Thence along said East line North 0° 06' East 880.0 feet;  
Thence due West 560.0 feet;  
Thence South 0° 06' West 880.0 feet;  
Thence due East 560.0 feet to the point of beginning.

Excepting therefrom that certain portion as described in deed to County of Placer, recorded July 19, 1957 in Book 738 of Official Records, Page 58.

Also, excepting therefrom that certain portion as described in deed to Fred A. Baker, et ux., recorded September 18, 1957 in Book 742 of Official Records, Page 535.

Also, excepting therefrom that certain portion as described in deed to North Tahoe Public Utility District, recorded September 25, 1957 in Book 743 of Official Records, Page 336.

Also, excepting therefrom that certain portion as described in deed to Clyde Edrick Mandeville, et al., recorded September 25, 1957 in Book 743 of Official Records, Page 337.

Also, excepting therefrom that certain portion as described in deed to Clyde Edrick Mandeville, et al., recorded September 25, 1957 in Book 743 of Official Records, Page 339.

Also, excepting therefrom that certain portion as described in deed to Joe Sain Produce Co., recorded July 28, 1959 in Book 804 of Official Records, Page 291.

Also, excepting therefrom that certain portion as described in deed to Milo A. Browne, et ux., recorded September 23, 1959 in Book 811 of Official Records, Page 70.

Also, excepting therefrom that certain portion as described in deed to Franklin Morris Rowles, et ux., recorded August 25, 1959 in Book 808 of Official Records, Page 35.

## NEVADA COUNTY, CALIFORNIA

(1) The following described property situate in Nevada County, California, which Donner Summit Tramways, Inc. conveyed to Sierra Pacific Power Company by deed dated February 16, 1965 and recorded in Book 374 of Official Records, Page 384, Records of Nevada County, California:

A parcel of land situate in the Southeast one-quarter (SE $\frac{1}{4}$ ) of Section 17, T17N R15E MDB&M, as shown by Record of Survey Plat recorded in Book 2 of Survey Map number 48, File #9957, Official Records of Nevada County, California:

Beginning at a point in the centerline of an existing power line, from which point the East one-quarter corner of Section 17, T17N R15E MDB&M bears North 7° 19' 57" East 1429.48 feet;

Thence from the point of beginning along the centerline of said power line, South 2° 48' 53" West 319.61 feet to the intersection of the northerly right of way line of U. S. Highway 40, Route III Nev 37C, 80.0 feet in width;

Thence leaving the power line and along the northerly highway line on the arc of a curve to the right from a tangent bearing South 73° 52' 58" East with a radius of 1040.0 feet through a central angle of 11° 52' 02" a distance of 215.41 feet more or less, to the intersection of the highway line with the East line of Section 17 (said arc being subtended by a chord which bears South 67° 56' 57" East 215.02 feet);

Thence leaving the highway North 0° 02' 12" West 450.0 feet along the section line;

Thence leaving the section line, South 74° 43' 38" West 190.02 feet to the point of beginning. Containing 1.678 acres more or less.

**PART III.****All Other Property.**

Whether the same has or has not been specifically described or referred to elsewhere in the Indenture, and provided the same is not therein or herein elsewhere expressly excepted: all the corporate and other franchises owned by the Company, and all permits, ordi-

nances, easements, privileges, immunities, patents and licenses, all rights to construct, maintain and operate overhead and underground systems for the distribution and transmission of electric current, gas, water, steam, heat or other agencies for the supplying to itself and to others of light, heat, power and water, all rights of way and all grants and consents and all leases and leasehold interests whatsoever (not therein or herein specifically excepted) whether the same or any of the same are now owned or hereafter acquired by the Company; also all other property, real, personal and mixed, now owned or hereafter acquired by the Company, including (but not limited to) all its properties situated in the Cities of Reno, Sparks, Carson City, Yerington, Lovelock and Battle Mountain, in the Counties of Churchill, Douglas, Eureka, Humboldt, Lander, Lyon, Mineral, Ormsby, Pershing, Storey and Washoe, in the State of Nevada, and also in the Counties of Alpine, El Dorado, Mono, Nevada, Placer, Plumas and Sierra in the State of California and wheresoever situated (not therein or herein specifically excepted), including (without in any wise limiting or impairing by the enumeration of the same, the generality, scope and intent of the foregoing or of any general description contained in the Original Indenture, as heretofore supplemented and modified and hereby supplemented), all lands, rights of way, water and riparian rights and all interests therein, dams and dam sites, gas and electric light, heat and power plants and systems, water and/or water-works plants and systems, plants, manufactories, power houses, substations, garages, sheds, warehouses, repair shops, storage houses, buildings, tunnels, bridges, distribution and transmission lines, pipe lines, conduits, towers, poles, wires, cables and all other structures, machinery, engines, boilers, dynamos, electric machines, regulators, meters, transformers, generators, motors, electric and mechanical appliances, and other equipment of every description; and also all accessions, additions, alterations, improvements, betterments, developments, extensions and enlargements hereafter made, constructed or acquired by the Company to, of or upon any or all of the properties, equipment, systems and/or plants, and/or property used thereby or useful therefor or incidental thereto or connected therewith; and the reversions, reservations and remainders and all the estate, right, title, interest, possession, claim and demand of every nature and description whatsoever of the Company, as well at law as in equity, of, in and to the same and every part and parcel thereof.

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**PART IV.****Income.**

All tolls, revenues, earnings, income, rents, issues and profits of all property, real and personal, tangible and intangible, which are now or hereafter shall be or be required to be made subject to the lien of the Indenture, or pledged thereunder.

**PART V.****Properties Excepted.**

There is, however, expressly excepted and excluded from the lien and operation of the Indenture:

(A) The following described property purchased by the Company but not used or useful in or for the operation of its public utility business:

**MONO COUNTY, CALIFORNIA**

(1) The following described property situate in Mono County, California, which J. O. Hintze and Edna Hintze conveyed to Sierra Pacific Power Company by deed dated April 25, 1952 and recorded in Book 29 of Official Records, Page 244, Records of Mono County, California:

A parcel of land situate in the Northeast one-quarter (NE $\frac{1}{4}$ ) of the Northwest one-quarter (NW $\frac{1}{4}$ ) of Section 28, T8N R23E MDB&M, described as follows:

Beginning at the one-quarter corner common to Sections 21 and 28, T8N R23E MDB&M;

Thence South 0° 17' West 807.1 feet to a point on the northerly right of way line of the U. S. Highway 395;

Thence South 82° 03' West along the northerly right of way line of said Highway 290.0 feet to the easterly right of way line of the New County Road leading northerly from the said highway;

Thence North 2° 40' East 851.4 feet more or less, to a point on the northerly section line of said Section 28;

Thence South 89° 15' East 251.6 feet more or less, to the point of beginning, containing 5.1 acres, more or less.

(B) All property excepted or excluded or intended to be excepted or excluded by the Granting Clauses of the Original Indenture as heretofore supplemented and modified and as hereby supplemented, subject to the provisions of §5.17 of the Original Indenture, provided, however, that no properties necessary or appropriate for purchasing, storing, generating, manufacturing, utilizing, transmitting, supplying and/or disposing of electricity, water and/or gas shall be excepted from the lien of the Indenture, anything contained in Subdivision I of Part X of the Granting Clauses of the Original Indenture to the contrary notwithstanding; and

(C) All property released or otherwise disposed of pursuant to the provisions of Article 6 of the Original Indenture (all herein sometimes for convenience collectively referred to as "excepted property").

TO HAVE AND TO HOLD all that part of the aforesaid property, rights, privileges, franchises and immunities not situated in the State of California, whether now owned or hereafter acquired by the Company, unto the Trustees, and their respective successors and assigns in trust forever; and TO HAVE AND TO HOLD all that part of the aforesaid property, rights, privileges, franchises and immunities situated in the State of California, whether now owned or hereafter acquired by the Company, unto the Individual Trustee, and his successors and assigns in trust forever.

SUBJECT, HOWEVER, to the exceptions and reservations and matters hereinabove recited, any permitted liens, other than liens and encumbrances junior to the lien of the Indenture, as defined in §1.01(y) of the Original Indenture, and to liens existing on any property hereafter acquired by the Company at the time of such acquisition or permitted by §5.04 of the Original Indenture.

BUT IN TRUST, NEVERTHELESS, for the equal pro rata benefit, security and protection of all present and future holders of the Bonds issued and to be issued under and secured by the Indenture, and to secure the payment of such Bonds and the interest thereon, in accordance with the provisions of said Bonds and of the Indenture, without any discrimination, preference, priority or distinction as to lien or

otherwise of any Bond over any other Bond, except insofar as any sinking fund established in accordance with the provisions of the Indenture may afford additional security for the Bonds of any one or more series and except as provided in §10.29 of the Original Indenture, so that the principal and interest of every such Bond shall be equally and ratably secured by the Indenture, as if all said Bonds had been issued, sold and delivered for value simultaneously with the execution of the Original Indenture and to secure the performance of and the compliance with the covenants and conditions of said Bonds and of the Indenture, and upon the trusts and for the uses and purposes and subject to the covenants, agreements, provisions and conditions hereinafter set forth and declared; it being hereby agreed as follows, to wit:

#### ARTICLE 1.

##### Description of Bonds of the 1995 Series.

§1.01. *Establishment of Bonds of the 1995 Series.* There shall be and hereby is established a new series of Bonds to be issued under and secured by the Indenture and to be designated as the Company's "First Mortgage Bonds, 5% Series due 1995" (herein sometimes referred to as "Bonds of the 1995 Series").

§1.02. *Terms of Bonds of the 1995 Series.* The Bonds of the 1995 Series shall be registered Bonds, without coupons, and/or coupon Bonds payable to bearer with the privilege of registration as to principal, in substantially the respective forms hereinafter set forth. No charge shall be made by the Registrar or the Company against the holders thereof for any such registration as to principal or for any transfer or discharge from registration of any coupon Bonds of the 1995 Series so registered.

The registered Bonds of the 1995 Series shall be dated as of the date of authentication thereof and shall bear interest from October 1, 1965, or from the interest payment date next preceding the date of authentication of such Bonds, or from the date thereof if it be an interest payment date, whichever date is the later. The coupon Bonds of the 1995 Series shall be dated as of October 1, 1965 and shall bear interest from said date. All Bonds of the 1995 Series shall be due on October 1, 1995 and shall bear interest at the rate of five per centum (5%) per

annum, to be paid semi-annually on the first day of April and on the first day of October in each year, until payment of the principal thereof, payable until maturity upon surrender, in the case of coupon Bonds, of the respective coupons attached thereto as they severally become due; principal and interest being payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, at the corporate trust office of New England Merchants National Bank of Boston, in Boston, Massachusetts, or its successor in trust, or, at the option of the bearers of the coupons or of the registered owners of registered Bonds without coupons, such interest shall be payable at the office or agency of the Company in the Borough of Manhattan, City and State of New York.

The signatures of any officer or officers of the Company executing any Bond of the 1995 Series or attesting the corporate seal thereon may be facsimiles, engraved or printed.

Definitive coupon Bonds of the 1995 Series may be issued in the denomination of One Thousand Dollars (\$1,000) each, numbered MJ1 consecutively upward.

Definitive registered Bonds of the 1995 Series, without coupons, may be issued in the denomination of One Thousand Dollars (\$1,000) or any multiple thereof bearing appropriate serial numbers.

As permitted by the provisions of §2.06 of the Original Indenture and upon payment, at the option of the Company, of the charges therein provided, registered Bonds of the 1995 Series without coupons may be exchanged for a new registered Bond or Bonds, of like aggregate principal amount, or for a like aggregate principal amount of coupon Bonds of said Series, and coupon Bonds of the 1995 Series may be exchanged for a like aggregate principal amount of registered Bonds of the said Series without coupons of the same or different authorized denomination or denominations.

The Trustee hereunder shall, by virtue of its office as such Trustee, be the Registrar and Transfer Agent of the Company for the purpose of registering and transferring Bonds of the 1995 Series.

§1.03. *Redemption Provisions for Bonds of the 1995 Series.* The Bonds of the 1995 Series shall be subject to redemption prior to maturity as a whole at any time or in part from time to time,

(a) at the option of the Company upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth under the heading "Regular Redemption Price" in the tabulation in the forms of the Bonds of the 1995 Series set forth in §1.06 of this Eleventh Supplemental Indenture; and

(b) either (i) through operation of the sinking and improvement fund for the Bonds of the 1995 Series provided for in §1.04 of this Eleventh Supplemental Indenture, or (ii) through the application of cash received by the Trustees if all or substantially all of the properties used by the Company in the conduct of certain classes of business thereof are sold, purchased or taken, as provided in §6.05 of the Original Indenture, upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in said tabulation under the heading "Special Redemption Price";

together in any case with interest accrued on such principal amount to the date fixed for redemption; upon prior notice (unless waived as provided in the Original Indenture) given by publication at least once each week for three (3) successive calendar weeks (the first publication to be not less than thirty (30) days nor more than ninety (90) days prior to the date fixed for redemption), in a newspaper printed in the English language, customarily published at least five days a week, excluding legal holidays, and of general circulation in the City of Boston, Massachusetts, and in a similar newspaper so published, and of general circulation in the Borough of Manhattan, City and State of New York, and in a similar newspaper so published, and of general circulation in each of the other city or cities, if any, where interest on the Bonds of the 1995 Series shall at the time be payable; provided that if all of the Bonds of the 1995 Series at the time outstanding shall be registered Bonds without coupons and/or coupon Bonds registered as to principal, such notice may be given by mail in lieu of such publication; all as more fully provided in Article 4 of the Original Indenture.

§1.04. *Sinking and Improvement Fund for Bonds of the 1995 Series.* As a sinking and improvement fund for the benefit of the Bonds of the 1995 Series, the Company covenants that it will, subject to the provisions hereinafter set forth in this Section, on or before September 30 in each year, beginning with the year 1967 and continuing to and including the year 1994, pay to the Trustee a sum equal to the lowest



multiple of \$1,000 which exceeds (or is equal to) one and three-quarters per centum (1¾%) of the greatest aggregate principal amount of the Bonds of the 1995 Series theretofore outstanding at any one time prior to August 15 next preceding such September 30, after deducting from said greatest aggregate principal amount the sum of the following (a) the aggregate principal amount of Bonds of the 1995 Series theretofore purchased or redeemed by the application of the proceeds of property released from the lien of the Indenture, sold, purchased or taken pursuant to the provisions of Article 6 of the Original Indenture, and (b) the aggregate principal amount of Bonds of the 1995 Series made the basis of the withdrawal of such proceeds pursuant to Article 7 of the Original Indenture.

The payments and the dates upon which payments are required for the sinking and improvement fund as above provided are in this §1.04 referred to as "sinking fund payments" and "sinking fund payment dates", respectively.

The Company shall have the right, subject to conditions herein contained, to satisfy any sinking fund payment in whole or in part by

(a) delivering to the Trustee for the sinking and improvement fund on or prior to the sinking fund payment date Bonds of the 1995 Series theretofore issued and then outstanding, together, in case of coupon Bonds, with all coupons appertaining thereto and unmatured at the time of such delivery;

(b) relinquishing, for the period during which any Bonds of the 1995 Series shall remain outstanding, upon compliance with the provisions set forth below in this §1.04, the right to use for any purpose under the Indenture (i) a net amount of additional property established by additional property certificates filed with the Trustee pursuant to §3.04 (B) of the Original Indenture, not theretofore funded, and equal to 10/6ths of a principal amount of Bonds issuable pursuant to said §3.04 and/or (ii) Bonds retired as evidenced to the Trustee pursuant to §3.05 (B) of the Original Indenture, and not theretofore funded, which net amount of additional property referred to in (i) above and the Bonds referred to in (ii) above shall thereupon become funded within the meaning of §1.01 (cc) (6) of the Original Indenture, so long as Bonds of the 1995 Series remain outstanding, provided that when no Bonds of the 1995 Series shall be outstanding all such relinquishment shall cease to be in effect and any net amount of additional property and Bonds which so become funded shall cease to be funded and deemed to be not theretofore funded for any other use under the Indenture, notwithstanding any other provision contained in the Indenture;

(c) redeeming Bonds of the 1995 Series, not theretofore funded, within twelve months prior to the current sinking fund payment date at the Special Redemption Price provided for in §1.03 of this Eleventh Supplemental Indenture in anticipation of the current sinking fund payment; and

(d) redeeming Bonds of the 1995 Series, not theretofore funded, at any time at the Regular Redemption Price provided for in §1.03 of this Eleventh Supplemental Indenture in anticipation of future sinking fund payments.

Bonds of the 1995 Series delivered to the Trustee pursuant to Clause (a) above, Bonds of any series the right to the authentication and delivery of which is relinquished pursuant to Clause (b) above, and Bonds of the 1995 Series redeemed as provided in Clauses (c) and (d) above, shall be treated as a credit on account of any such sinking fund payment at the principal amount of such Bonds to the extent so used.

The Company shall file with the Trustee on or before August 15 next preceding any sinking fund payment date a certificate of the Company setting forth the methods, if any, referred to in Clauses (a), (b), (c) and (d) above, by which the Company proposes to satisfy such sinking fund payment. Unless the Company files such a certificate on or before the time so required, the sinking fund payment shall be made entirely in cash, or, if the certificate so filed shows that such sinking fund payment is not to be satisfied in whole by one or more of the above methods enumerated in Clauses (a) to (d), inclusive, the balance of the sinking fund payment shall be made in cash.

All Bonds of the 1995 Series delivered to the Trustee and credited against any sinking fund payment for such series and all such Bonds redeemed by operation of, or the redemption of which has been made the basis of a credit against, and Bonds of any series the right to the authentication of which, and net amount of additional property the use of which, has been relinquished as a basis for a credit against, this sinking and improvement fund and credited against any sinking fund payment, shall be deemed to be thereupon funded, so long as any Bonds of the 1995 Series are outstanding.

Forthwith after the August 15 preceding each sinking fund payment date on which the Company will be required to make to the Trustee a payment in cash for the sinking and improvement fund, the Trustee shall proceed to select for redemption from the Bonds of the 1995 Series, in the manner provided in Article 4 of the Original Indenture, a principal amount of Bonds of the 1995 Series equal to the aggre-

gate principal amount of Bonds redeemable with such cash payment and, in the name of the Company, shall give notice as required by the provisions of §1.03 of this Eleventh Supplemental Indenture of the redemption for the sinking and improvement fund on the then next ensuing October 1 of the Bonds so selected. On or before the sinking fund payment date next preceding such October 1, the Company shall pay to the Trustee the cash payment required by this Section, plus the amount of all premiums, if any, and interest accrued and payable on the Bonds to be redeemed by the application of such cash payment, and the money so paid shall be applied by the Trustee to the redemption of such Bonds. The Company shall also deliver to the Trustee with the filing of any certificate of the Company heretofore provided for in this Section, or not later than the next succeeding sinking fund payment date, any Bonds specified in said Clause (a) of this Section. In the event any credit is being taken pursuant to Clause (b) of this Section, the Trustee shall be furnished with the following:

(1) A statement of the Company by which it relinquishes, for the period during which any Bonds of the 1995 Series shall remain outstanding under the Indenture, the right to use for any purpose under the Indenture (i) a stated net amount of additional property, not theretofore funded, equal to 10/6ths of a stated principal amount of Bonds, and established by an additional property certificate or certificates filed with the Trustee pursuant to §3.04 (B) of the Original Indenture, and/or (ii) a stated principal amount of Bonds retired as evidenced to the Trustee pursuant to §3.05 (B) of the Original Indenture, not theretofore funded. In establishing Bonds and/or a net amount of additional property for use pursuant to this §1.04, the Company need not file any documents required by the provisions of §3.02 of the Original Indenture, except as provided below. If the Company is acting under (i) and/or (ii) above, such statement shall set forth statements which would be required by Subdivision (a) of §3.02 of the Original Indenture, in connection with an application for the authentication and delivery of Bonds pursuant thereto, subject to appropriate changes in language to show that the purpose is the relinquishment of the right to have authenticated a specified principal amount of Bonds in lieu of authentication.

(2) The documents and other things required to be furnished the Trustee by the provisions of §3.04 (B) and/or §3.05 (B) of the Original Indenture (other than those required by §3.02 of the Original Indenture) if any, not theretofore furnished, and such

statement shall be deemed an application as that word is used in the definition of credit certificate in §1.01 (dd) of the Original Indenture, as modified by §2.01 of the Second Supplemental Indenture and in §3.04 (C) (b) of the Original Indenture.

(3) A resolution of the Board of Directors authorizing the relinquishment which is being effected by such statement.

The Company shall pay to the Trustee an amount equal to the interest and premium, if any, on the Bonds of the 1995 Series to be redeemed for this sinking and improvement fund as provided in this §1.04 and upon request of the Trustee from time to time, will also pay to the Trustee an amount equal to the cost of giving notice of redemption of such Bonds of the 1995 Series and any other expense of operation of such fund, the intention being that such fund shall not be charged for interest, premium and such expenses.

**§1.05. Restrictions on Payment of Dividends on Common Stock.** The Company will not (a) declare or pay any dividend (other than dividends payable in common stock of the Company) on or make any other distribution in respect of any shares of the common stock of the Company, or (b) purchase, redeem, retire or otherwise acquire for a consideration (other than in exchange for or from the proceeds of other shares of capital stock of the Company) any shares of capital stock of the Company of any class, except to the extent required to comply with any sinking or purchase fund which may now exist or hereafter be established for any class of Preferred Stock of the Company, if the aggregate amount so declared, paid, distributed or expended after December 31, 1961 would exceed the aggregate amount of the net income of the Company available for dividends on its common stock accumulated after December 31, 1961, plus the sum of \$1,900,000.

Net income of the Company available for dividends on its common stock for the purpose of this Section shall mean the sum of (i) the total operating revenues of the Company, less the total operating expenses, taxes (including income, excess profits and other taxes based on or measured by income or undistributed earnings or income), interest charges and other appropriate items, including provision for maintenance, and provision for depreciation in an amount which shall not be less than any provision for depreciation provided for in the Indenture, after provision for all dividends accrued on any outstanding

stock of the Company having preference over the common stock as to dividends, and (ii) other net income of the Company, all determined in accordance with sound accounting practice. In determining such net income of the Company no deduction or adjustment shall be made for or in respect of any charges which under sound accounting practice are not appropriate deductions in determining net income and, without limiting the generality of the foregoing, no deduction or adjustment shall be made for or in respect of (a) premiums, discounts and expenses in connection with the issuance of securities of the Company, and expenses in connection with the redemption or retirement of any securities issued by the Company, including any amount paid in excess of the principal amount or par or stated value of securities redeemed or retired, or, in the event that such redemption or retirement is effected with the proceeds of sale of other securities of the Company, interest or dividends on the securities redeemed or retired from the date on which the funds required for such redemption or retirement are deposited in trust for such purpose to the date of redemption or retirement; (b) profits or losses from sales of property or other capital assets or from the reacquisition of any securities of the Company, or taxes on or in respect of any such profits; (c) any change in the book value of, or any appreciation or diminution in the value of, any assets owned by the Company; (d) charges for the elimination or amortization of utility plant adjustments or utility plant acquisition adjustments or other intangibles except any such charges amortized on a monthly, quarterly, semi-annual, annual or other regular periodic basis; or (e) any earned surplus adjustment (including tax adjustments) applicable to any period prior to January 1, 1962.

For the purpose of any computation of amounts declared, paid, distributed, expended or accumulated after December 31, 1961, references to the Company in this § 1.05 shall be deemed to include both the Company and the Predecessor Company.

§1.06. *Forms of Bonds of the 1995 Series.* The coupon Bonds of the 1995 Series, the coupons appertaining thereto, the registered Bonds of said series, and the Trustee's authentication certificate on all Bonds of said series, shall be substantially in the forms following, respectively:

[FORM OF COUPON BOND OF 1995 SERIES]

No. MJ

\$1000

**SIERRA PACIFIC POWER COMPANY**

Incorporated under the laws of the State of Nevada

First Mortgage Bond, 5% Series due 1995

Due October 1, 1995

SIERRA PACIFIC POWER COMPANY, a Nevada corporation (hereinafter sometimes called the "Company" which term shall include any successor corporation as defined in the Indenture hereinafter mentioned), for value received, hereby promises to pay to the bearer or, in case this bond be registered as to principal, to the registered owner hereof, One Thousand Dollars on October 1, 1995, and to pay interest thereon from October 1, 1965, at the rate of five per centum (5%) per annum, semi-annually on the first day of April and on the first day of October in each year until payment of the principal hereof, payable until maturity only upon surrender of the respective coupons attached hereto as they severally become due.

Both principal of and interest on this bond will be paid in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, at the corporate trust office of New England Merchants National Bank of Boston (hereinafter sometimes called the "Trustee") in the City of Boston, Massachusetts, or its successor in trust, or, at the option of the bearer of the coupons, such interest will be paid at the office or agency of the Company in the Borough of Manhattan, City and State of New York.

This bond is one of the bonds, of a series designated as 5% Series due 1995 (herein sometimes referred to as the "Bonds of the 1995 Series"), of an authorized issue of bonds of the Company, known as First Mortgage Bonds, not limited as to maximum aggregate principal amount except as otherwise provided in the Indenture hereinafter mentioned, all issued or issuable in one or more series (which several series may be of different denominations, dates and tenor) under and equally secured (except insofar as a sinking fund established in accordance with the provisions of said Indenture may afford additional security for the bonds of any specific series) by an Indenture of Mortgage dated as of December 1, 1940, duly executed and delivered by the Company's predecessor, Sierra Pacific Power Company, a Maine corporation, and duly assumed by the Company by means of the Tenth Supplemen-

tal Indenture hereinafter mentioned, to The New England Trust Company (now New England Merchants National Bank of Boston by succession) and Leo W. Huegle (now Fletcher C. Chamberlin by succession), as Trustees, as supplemented and modified by the First Supplemental Indenture, dated as of August 1, 1947, by the Second Supplemental Indenture, dated as of April 1, 1948, by the Ninth Supplemental Indenture, dated as of June 1, 1964, and by the Tenth Supplemental Indenture dated as of March 31, 1965, and as supplemented by all other indentures supplemental thereto, including an Eleventh Supplemental Indenture dated as of October 1, 1965, executed and delivered by the Company (or executed and delivered by its predecessor and duly assumed by the Company) to said Trustees, to which Indenture of Mortgage and all indentures supplemental thereto (herein sometimes collectively called the "Indenture") reference is hereby made for a description of the property mortgaged and pledged as security for said bonds, the rights and remedies and limitations on such rights and remedies of the bearer or registered owner of this bond in regard thereto, the terms and conditions upon which said bonds and the coupons appurtenant thereto are secured thereby, the terms and conditions upon which additional bonds and coupons may be issued thereunder and the rights, immunities and obligations of the Trustees under said Indenture.

Said Indenture, among other things, provides that no bondholder or bondholders may institute any suit, action or proceeding for the collection of this bond, or any coupon appurtenant thereto or claim for interest thereon, or to enforce the lien of said Indenture, if and to the extent that the institution or prosecution thereof or the entry of a judgment or a decree therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of said Indenture upon any property subject thereto.

The Bonds of the 1995 Series are subject to redemption prior to maturity as a whole at any time, or in part from time to time, (a) at the option of the Company upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in the tabulation below under the heading "Regular Redemption Price"; and (b) by operation of the sinking and improvement fund provided for in the Eleventh Supplemental Indenture, and (in the instances provided in the Indenture) by application of cash received by the Trustees if all or substantially all of the properties used by the Company in the conduct of certain classes of business thereof are sold to or taken through the exercise of the right of eminent domain or the right to purchase by any municipal or governmental body or agency, upon payment of the applicable percentage of the called principal

amount thereof during the respective periods set forth in the tabulation below under the heading "Special Redemption Price":

12 Months' Period Beginning October 1	Regular Redemption Price %	Special Redemption Price %	12 Months' Period Beginning October 1	Regular Redemption Price %	Special Redemption Price %
1965	106.00	101.00	1980	102.90	100.68
1966	105.80	100.99	1981	102.69	100.65
1967	105.59	100.97	1982	102.49	100.62
1968	105.38	100.96	1983	102.28	100.58
1969	105.18	100.94	1984	102.07	100.55
1970	104.97	100.92	1985	101.87	100.51
1971	104.76	100.90	1986	101.66	100.47
1972	104.56	100.88	1987	101.45	100.43
1973	104.35	100.86	1988	101.25	100.38
1974	104.14	100.84	1989	101.04	100.34
1975	103.94	100.82	1990	100.83	100.29
1976	103.73	100.79	1991	100.63	100.24
1977	103.52	100.77	1992	100.42	100.18
1978	103.32	100.74	1993	100.21	100.13
1979	103.11	100.71	1994	100.00	100.00

together in any case with interest accrued on said principal amount to the date fixed for redemption; upon prior notice (unless waived as provided in the Indenture) given by publication at least once each week for three (3) successive calendar weeks (the first publication to be not less than thirty (30) days nor more than ninety (90) days prior to the redemption date), in a newspaper, printed in the English language, customarily published at least five days a week, excluding legal holidays, and of general circulation in the City of Boston, Massachusetts, and in a similar newspaper so published, and of general circulation in the Borough of Manhattan, City and State of New York, and in a similar newspaper so published, and of general circulation in each of the other city or cities, if any, where interest on the bonds of this series shall at the time be payable; provided that if all of the bonds of this series at the time outstanding shall be registered bonds without coupons and/or coupon bonds registered as to principal, such notice may be given by mail in lieu of such publication; all as more fully provided in the Indenture.

If this bond is called for redemption and payment duly provided for as specified in the Indenture this bond shall cease to be entitled to the lien of said Indenture from and after the date payment is so provided and shall cease to bear interest from and after the date fixed for redemption.

The bonds of this series are entitled to the benefit of the sinking and improvement fund for bonds of this series provided for in said Eleventh Supplemental Indenture.



To the extent permitted and as provided in said Indenture, modifications or alterations of said Indenture, or of any indenture supplemental thereto, and of the bonds issued thereunder and of the rights and obligations of the Company and the rights of the bearers or registered owners of the bonds and coupons, may be made with the consent of the Company and with the written approvals or consents of the bearers or registered owners of not less than seventy-five per centum (75%) in principal amount of the bonds outstanding, and unless all of the bonds then outstanding under said Indenture are affected in the same manner and to the same extent by such modification or alteration, with the written approvals or consents of the bearers or registered owners of not less than seventy-five per centum (75%) in principal amount of the bonds of each series outstanding, provided, however, that no such alteration or modification shall, without the written approval or consent of the bearer or registered owner of any bond affected thereby, (a) impair or affect the right of such bearer or registered owner to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, except that the holders of not less than seventy-five per centum (75%) in principal amount of the bonds outstanding may consent on behalf of the bearers or registered owners of all of the bonds to the postponement of any interest payment for a period of not exceeding three (3) years from its due date, or (b) deprive any bearer or registered owner of the bonds of a lien on the mortgaged and pledged property, or (c) reduce the percentage of the principal amount of the bonds upon the consent of which modifications or alterations may be effected as aforesaid.

This bond shall pass by delivery, except that it may be registered as to principal from time to time at the option of the bearer on registration books to be kept for the purpose at the corporate trust office of the Trustee, such registration being noted hereon, and if so registered shall pass only by transfer upon such books by the registered owner or his duly authorized attorney, similarly noted hereon, unless such transfer shall have been made and registered to bearer and noted hereon, in which case it shall again pass by delivery until again registered. Such registration of this bond as to principal shall not affect the negotiability of its coupons, which shall remain payable to bearer, be treated as negotiable and pass by delivery, whether or not this bond is registered.

Coupon bonds of this series, bearing all unmatured coupons, may be exchanged at said office of the Trustee for registered bonds of the same series without coupons for a like aggregate principal amount in authorized denominations, upon payment, if the Company shall so require, of the charges provided for in the Indenture and subject to the terms and conditions therein set forth.

In case an event of default as defined in said Indenture shall occur, the principal of this bond may become or be declared due and payable before maturity in the manner and with the effect provided in said Indenture. The holders, however, of certain specified percentages of the bonds at the time outstanding, including in certain cases specified percentages of bonds of particular series, may in the cases, to the extent and under the conditions provided in said Indenture, waive defaults thereunder and the consequences of such defaults.

In case all or substantially all of the electric properties of the Company are sold to or taken through the exercise of the right of eminent domain or the right to purchase by any municipal or governmental body or agency, the principal of this bond will, upon receipt by the Company of payment or compensation, become due and payable before maturity at the then applicable special redemption price and accrued interest thereon, all as provided in said Indenture.

It is part of the contract herein contained that each bearer or registered owner hereof by the acceptance hereof waives all right of recourse to any personal liability of any incorporator, stockholder, officer or director, past, present or future, of the Company, as such, or of any predecessor or successor corporation, howsoever arising, for the collection of any indebtedness hereunder; and as a part of the consideration for the issue hereof releases from all such liability each such incorporator, stockholder, officer or director, all as provided in said Indenture.

Neither this bond nor any of the coupons for interest hereon shall become or be valid or obligatory for any purpose until the authentication certificate endorsed hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, SIERRA PACIFIC POWER COMPANY has caused these presents to be executed in its name and behalf by the manual or facsimile signature of its President or one of its Vice Presidents and its corporate seal, or a facsimile thereof, to be hereunto affixed and attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries, and has likewise caused the annexed coupons to be authenticated by the facsimile signature of its Treasurer, all as of the first day of October, 1965.

SIERRA PACIFIC POWER COMPANY,

By.....  
President.

Attest:

.....  
Secretary.

[GENERAL FORM OF THE BONDS OF 1995 SERIES INTEREST COUPON]

\$25.00

No.

On the first day of \_\_\_\_\_, 19\_\_\_\_, Sierra Pacific Power Company will pay to the bearer upon surrender of this coupon at the corporate trust office of New England Merchants National Bank of Boston, in the City of Boston, Massachusetts, or at the office of its successor, or, at the option of the bearer, at the office or agency of the Company in the Borough of Manhattan, City and State of New York, the amount shown hereon in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, being six months' interest then due on its First Mortgage Bond, 5% Series due 1995, No. MJ\_\_\_\_\_ unless said bond shall have been duly called for previous redemption and payment duly provided therefor.

Treasurer.

[FORM OF REGISTERED BOND WITHOUT COUPONS OF 1995 SERIES]

No. BJ

\$

SIERRA PACIFIC POWER COMPANY  
Incorporated under the laws of the State of Nevada  
First Mortgage Bond, 5% Series due 1995  
Due October 1, 1995

SIERRA PACIFIC POWER COMPANY, a Nevada corporation (hereinafter sometimes called the "Company" which term shall include any successor corporation as defined in the Indenture hereinafter mentioned), for value received, hereby promises to pay to \_\_\_\_\_ Dollars on October 1, 1995, and to pay to the registered owner hereof interest thereon from October 1, 1965, or from the interest payment date next preceding the date of this bond, or from the date of this bond if it be an interest payment date, whichever date is the later, at the rate of five per centum (5%) per annum, semi-annually on the first day of April and on the first day of October in each year until payment of the principal hereof.

Both principal of and interest on this bond will be paid in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, at the corporate trust office of New England Merchants National Bank of Boston (hereinafter sometimes called the "Trustees") in the City of Boston, Massachusetts, or its successor in trust, or, at the option of the registered owner hereof, such interest will be paid at the office or agency of the Company in the Borough of Manhattan, City and State of New York.

This bond is one of the bonds, of a series designated as 5% Series due 1995 (herein sometimes referred to as the "Bonds of the 1995 Series"), of an authorized issue of bonds of the Company, known as First Mortgage Bonds, not limited as to maximum aggregate principal amount except as otherwise provided in the Indenture hereinafter mentioned, all issued or issuable in one or more series (which several series may be of different denominations, dates and tenor) under and equally secured (except insofar as a sinking fund established in accordance with the provisions of said Indenture may afford additional security for the bonds of any specific series) by an Indenture of Mortgage dated as of December 1, 1940, duly executed and delivered by the Company's predecessor, Sierra Pacific Power Company, a Maine corporation, and duly assumed by the Company by means of the Tenth Supplemental Indenture hereinafter mentioned, to The New England Trust Company (now New England Merchants National Bank of Boston by succession) and Leo W. Huegle (now Fletcher C. Chamberlin by succession), as Trustees, as supplemented and modified by the First Supplemental Indenture, dated as of August 1, 1947, by the Second Supplemental Indenture, dated as of April 1, 1948, by the Ninth Supplemental Indenture, dated as of June 1, 1964, and by the Tenth Supplemental Indenture dated as of March 31, 1965, and as supplemented by all other indentures supplemental thereto, including an Eleventh Supplemental Indenture dated as of October 1, 1965, executed and delivered by the Company (or executed and delivered by its predecessor and duly assumed by the Company) to said Trustees, to which Indenture of Mortgage and all indentures supplemental thereto (herein sometimes collectively called the "Indenture") reference is hereby made for a description of the property mortgaged and pledged as security for said bonds, the rights and remedies and limitations on such rights and remedies of the registered owner of this bond in regard thereto, the terms and conditions upon which said bonds are secured thereby, the terms and conditions upon which additional bonds and coupons may be issued thereunder and the rights, immunities and obligations of the Trustees under said Indenture.

Said Indenture, among other things, provides that no bondholder or bondholders may institute any suit, action or proceeding for the collection of this bond, or claim for interest thereon, or to enforce the lien of said Indenture, if and to the extent that the institution or prose-

uction thereof or the entry of a judgment or a decree therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of said Indenture upon any property subject thereto.

The Bonds of the 1995 Series are subject to redemption prior to maturity as a whole at any time, or in part from time to time, (a) at the option of the Company upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in the tabulation below under the heading "Regular Redemption Price"; and (b) by operation of the sinking and improvement fund provided for in the Eleventh Supplemental Indenture, and (in the instances provided in the Indenture) by application of cash received by the Trustees if all or substantially all of the properties used by the Company in the conduct of certain classes of business thereof are sold to or taken through the exercise of the right of eminent domain or the right to purchase by any municipal or governmental body or agency, upon payment of the applicable percentage of the called principal amount thereof during the respective periods set forth in the tabulation below under the heading "Special Redemption Price":

12 Months' Period Beginning October 1	Regular Redemption Price %	Special Redemption Price %	12 Months' Period Beginning October 1	Regular Redemption Price %	Special Redemption Price %
1965	106.00	101.00	1980	102.90	100.68
1966	105.80	100.99	1981	102.69	100.65
1967	105.59	100.97	1982	102.49	100.62
1968	105.38	100.96	1983	102.28	100.58
1969	105.18	100.94	1984	102.07	100.55
1970	104.97	100.92	1985	101.87	100.51
1971	104.76	100.90	1986	101.66	100.47
1972	104.56	100.88	1987	101.45	100.43
1973	104.35	100.86	1988	101.25	100.38
1974	104.14	100.84	1989	101.04	100.34
1975	103.94	100.82	1990	100.83	100.29
1976	103.73	100.79	1991	100.63	100.24
1977	103.52	100.77	1992	100.42	100.18
1978	103.32	100.74	1993	100.21	100.13
1979	103.11	100.71	1994	100.00	100.00

together in any case with interest accrued on said principal amount to the date fixed for redemption; upon prior notice (unless waived as provided in the Indenture) given by publication at least once each week for three (3) successive calendar weeks (the first publication to be not less than thirty (30) days nor more than ninety (90) days prior to the redemption date), in a newspaper, printed in the English language, customarily published at least five days a week, excluding legal holidays, and of general circulation in the City of Boston, Massachusetts, and in a similar newspaper so published, and of general circulation in the Borough

of Manhattan, City and State of New York, and in a similar newspaper so published, and of general circulation in each of the other city or cities, if any, where interest on the bonds of this series shall at the time be payable; provided that if all of the bonds of this series at the time outstanding shall be registered bonds without coupons and/or coupon bonds registered as to principal, such notice may be given by mail in lieu of such publication; all as more fully provided in the Indenture.

If this bond or any portion thereof (One Thousand Dollars or any multiple thereof) is duly designated for redemption, if payment of the principal hereof or of such portion with accrued interest and premium, if any, is provided for, and if notice of such redemption shall have been duly given, provided for or waived, all as specified in the Indenture, this bond or such portion shall cease to be entitled to the lien of the Indenture from and after the date such payment and notice are irrevocably so provided for and shall cease to bear interest from and after the date fixed for redemption.

In the event of the selection for redemption of a portion only of the principal of this bond, payment of the redemption price will be made only (a) upon presentation of this bond for notation hereon of such payment of the portion of the principal of this bond so called for redemption, or (b) upon surrender of this bond in exchange for a bond or bonds, in either registered or coupon form (but only of authorized denominations of the same series), for the unredeemed balance of the principal amount of this bond.

The bonds of this series are entitled to the benefit of the sinking and improvement fund for bonds of this series provided for in said Eleventh Supplemental Indenture.

To the extent permitted and as provided in said Indenture, modifications or alterations of said Indenture, or of any indenture supplemental thereto, and of the bonds issued thereunder and of the rights and obligations of the Company and the rights of the bearers or registered owners of the bonds and coupons, may be made with the consent of the Company and with the written approvals or consents of the bearers or registered owners of not less than seventy-five per centum (75%) in principal amount of the bonds outstanding, and unless all of the bonds then outstanding under said Indenture are affected in the same manner and to the same extent by such modification or alteration, with the written approvals or consents of the bearers or registered owners of not less than seventy-five per centum (75%) in principal amount of the bonds of each series outstanding, provided, however, that no such alteration or modification shall, without the written approval or consent of the bearer or registered owner of any bond affected thereby, (a) impair or affect the right of such bearer or registered owner to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to

institute suit for the enforcement of any such payment on or after such respective dates, except that the holders of not less than seventy-five per centum (75%) in principal amount of the bonds outstanding may consent on behalf of the bearers or registered owners of all of the bonds to the postponement of any interest payment for a period of not exceeding three (3) years from its due date, or (b) deprive any bearer or registered owner of the bonds of a lien on the mortgaged and pledged property, or (c) reduce the percentage of the principal amount of the bonds upon the consent of which modifications or alterations may be effected as aforesaid.

This bond is transferable by the registered owner hereof in person or by his duly authorized attorney, at the corporate trust office of the Trustee, upon surrender of this bond for cancellation and upon payment, if the Company shall so require, of the charges provided for in the Indenture, and thereupon a new registered bond of the same series of like principal amount will be issued to the transferee in exchange therefor.

The registered owner of this bond at his option may surrender the same for cancellation at said office and receive in exchange therefor the same aggregate principal amount of registered bonds of the same series but of other authorized denominations, or coupon bonds of the same series of the denomination of One Thousand Dollars, upon payment, if the Company shall so require, of the charges provided for in the Indenture and subject to the terms and conditions therein set forth.

In case an event of default as defined in said Indenture shall occur, the principal of this bond may become or be declared due and payable before maturity in the manner and with the effect provided in said Indenture. The holders, however, of certain specified percentages of the bonds at the time outstanding, including in certain cases specified percentages of bonds of particular series, may in the cases, to the extent and under the conditions provided in said Indenture, waive defaults thereunder and the consequences of such defaults.

In case all or substantially all of the electric properties of the Company are sold to or taken through the exercise of the right of eminent domain or the right to purchase by any municipal or governmental body or agency, the principal of this bond will, upon receipt by the Company of payment or compensation, become due and payable before maturity at the then applicable special redemption price and accrued interest thereon, all as provided in said Indenture.

It is part of the contract herein contained that each registered owner hereof by the acceptance hereof waives all right of recourse to any personal liability of any incorporator, stockholder, officer or director, past, present or future, of the Company, as such, or of any predecessor or successor corporation, howsoever arising, for the collection of any indebtedness hereunder; and as a part of the consideration for

the issue hereof releases from all such liability each such incorporator, stockholder, officer or director, all as provided in said Indenture.

This bond shall not become or be valid or obligatory for any purpose until the authentication certificate endorsed hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, SIERRA PACIFIC POWER COMPANY has caused these presents to be executed in its name and behalf by the manual or facsimile signature of its President or one of its Vice Presidents and its corporate seal, or a facsimile thereof, to be hereunto affixed and attested by the manual or facsimile signature of its Secretary or one of its Assistant Secretaries, all as of

SIERRA PACIFIC POWER COMPANY,

By .....  
President.

Attest:

.....  
Secretary.

[FORM OF AUTHENTICATION CERTIFICATE FOR ALL BONDS]

This bond is one of the bonds of the series designated therein, referred to in the within-mentioned Indenture.

NEW ENGLAND MERCHANTS NATIONAL BANK OF BOSTON,  
Corporate Trustee,

By .....  
Authorized Officer.

§1.07. *Duration of Effectiveness of Article 1.* This Article shall be in force and effect only so long as any of the Bonds of the 1995 Series are outstanding.



**ARTICLE 2.****Principal Amount of Bonds Presently to be Outstanding.**

§2.01. The total aggregate principal amount of First Mortgage Bonds of the Company issued and outstanding and presently to be issued and outstanding under the provisions of and secured by the Indenture will be Forty-five Million Nine Hundred Seventy-five Thousand Dollars (\$45,975,000), namely, Three Million Dollars (\$3,000,000) principal amount of First Mortgage Bonds, Series A 3¼%, due December 1, 1970, now issued and outstanding, Nine Hundred Seventy-five Thousand Dollars (\$975,000) principal amount of First Mortgage Bonds, 2⅞% Series due 1977, now issued and outstanding, Three Million Five Hundred Thousand Dollars (\$3,500,000) principal amount of First Mortgage Bonds, 3⅞% Series due 1978, now issued and outstanding, Four Million Dollars (\$4,000,000) principal amount of First Mortgage Bonds, 3⅞% Series due 1984, now issued and outstanding, Three Million Dollars (\$3,000,000) principal amount of First Mortgage Bonds, 5¼% Series due 1986, now issued and outstanding, Three Million Dollars (\$3,000,000) principal amount of First Mortgage Bonds, 4½% Series due 1988, now issued and outstanding, Six Million Five Hundred Thousand Dollars (\$6,500,000) principal amount of First Mortgage Bonds, 5% Series due 1991, now issued and outstanding, Five Million Dollars (\$5,000,000) principal amount of First Mortgage Bonds, 4⅞% Series due 1992, now issued and outstanding, Seven Million Dollars (\$7,000,000) principal amount of First Mortgage Bonds, 4¾% Series due 1994, now issued and outstanding, and Ten Million Dollars (\$10,000,000) principal amount of First Mortgage Bonds, 5% Series due 1995, established by resolution of the Board of Directors and to be issued upon compliance by the Company with the provisions of Article 3 of the Original Indenture.

**ARTICLE 3.****Miscellaneous.**

§3.01. This instrument is executed and shall be construed as an indenture supplemental to the Original Indenture, as heretofore supplemented and modified, and shall form a part thereof, and the Original Indenture as so supplemented and modified is hereby confirmed. All

terms used in this Eleventh Supplemental Indenture shall be taken to have the same meaning as in the Original Indenture, as heretofore supplemented and modified, except in cases where the context clearly indicates otherwise.

§3.02. All recitals in this Supplemental Indenture are made by the Company only and not by the Trustees; and all of the provisions contained in the Original Indenture, as heretofore supplemented and modified, in respect of the rights, privileges, immunities, powers and duties of the Trustees shall be applicable in respect hereof as fully and with like effect as if set forth herein in full.

§3.03. Although this Supplemental Indenture is dated for convenience and for the purpose of reference as of October 1, 1965, the actual date or dates of execution by the Company and the Trustees are as indicated by their respective acknowledgments hereto annexed.

§3.04. In order to facilitate the recording or filing of this Supplemental Indenture, the same may be simultaneously executed in several counterparts, each of which shall be deemed to be an original, and such counterparts shall together constitute but one and the same instrument.

§3.05. The Company hereby acknowledges receipt from the Trustees of a full, true and complete copy of this Supplemental Indenture.

IN WITNESS WHEREOF, SIERRA PACIFIC POWER COMPANY has caused this Eleventh Supplemental Indenture to be signed in its corporate name and behalf by its President or one of its Vice Presidents and its corporate seal to be hereunto affixed and attested by its Secretary or one of its Assistant Secretaries; and New England Merchants National Bank of Boston in token of its acceptance of the trust hereby created has caused this Eleventh Supplemental Indenture to be signed in its corporate name and behalf, and its corporate seal to be hereunto affixed, by its President or one of its Trust Officers, and its corporate seal to be attested by one of its Assistant Cashiers; and Fletcher C. Chamberlin in



token of his acceptance of the trust hereby created has hereunto set his hand and seal, all as of the day and year first above written.

SIERRA PACIFIC POWER COMPANY,

By

*John A. Moir*  
Vice President.

Attest:

*George E. McKee*  
Assistant Secretary.

Signed, sealed and delivered on behalf of SIERRA PACIFIC POWER COMPANY, in the presence of:

*H. Scott Perkins*  
*John F. Wood Jr.*  
Assistant Cashier.

NEW ENGLAND MERCHANTS NATIONAL BANK OF BOSTON,

By

*Charles K. Hamblet*  
Trust Officer.

Attest:

*Carl B. Jones*  
Assistant Cashier

Signed, sealed and delivered on behalf of NEW ENGLAND MERCHANTS NATIONAL BANK OF BOSTON, in the presence of:

*H. Scott Perkins*  
*John F. Wood Jr.*



*Fletcher C. Chamberlin*  
FLETCHER C. CHAMBERLIN

Signed, sealed and delivered by FLETCHER C. CHAMBERLIN, in the presence of:

*H. Scott Perkins*  
*John F. Wood Jr.*

COMMONWEALTH OF MASSACHUSETTS, }  
COUNTY OF SUFFOLK, } ss.:

On this 30th day of September, A.D., 1965, (i) personally appeared before me, a Notary Public in and for the County of Suffolk, GEORGE E. KEHOE, known to me to be an Assistant Secretary of Sierra Pacific Power Company, one of the corporations that executed the foregoing instrument, and upon oath did depose that he is the officer of said corporation as above designated, that he is acquainted with the seal of said corporation, and that the said seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by the officers of said corporation as indicated after said signatures, and that the corporation executed the said instrument freely and voluntarily and for the purposes and uses therein named; and (ii) also before me appeared JOHN A. MOIR and the same GEORGE E. KEHOE to me personally known, who being by me duly sworn did say that they are a Vice President and an Assistant Secretary, respectively, of Sierra Pacific Power Company, and that the seal affixed to the foregoing instrument is the corporate seal of said Corporation, and that the foregoing instrument was signed by them and sealed on behalf of said Corporation by authority of the Directors, and the said JOHN A. MOIR and GEORGE E. KEHOE acknowledged the said instrument to be the free act and deed of said Corporation.

*Andrew M. Wood*

ANDREW M. WOOD, Notary Public  
My commission expires January 14, 1967.



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COMMONWEALTH OF MASSACHUSETTS, }  
 COUNTY OF SUFFOLK, } ss.:

On this 30th day of September, A.D., 1965, (i) personally appeared before me, a Notary Public in and for the County of Suffolk, CHARLES L. HAMILTON, known to me to be a Trust Officer of New England Merchants National Bank of Boston, one of the corporations that executed the foregoing instrument, and upon oath did depose that he is the officer of said corporation as above designated, that he is acquainted with the seal of said corporation, and that the said seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by the officers of said corporation as indicated after said signatures, and that the corporation executed the said instrument freely and voluntarily and for the purposes and uses therein named; and (ii) also before me appeared CARL B. JONES and the same CHARLES L. HAMILTON, to me personally known, who being by me duly sworn did say that they are an Assistant Cashier and a Trust Officer, respectively, of New England Merchants National Bank of Boston, and that the seal affixed to the foregoing instrument is the corporate seal of said Bank, and that the foregoing instrument was signed and sealed by them on behalf of said Bank by authority of its Board of Directors, and the said CARL B. JONES and CHARLES L. HAMILTON acknowledged said instrument to be the free act and deed of said Bank.



*J. L. Terry*  
 JAMES L. TERRY, Notary Public  
 My commission expires May 31, 1969.

COMMONWEALTH OF MASSACHUSETTS, }  
COUNTY OF SUFFOLK, } SS.:

On this 30th day of September, A.D., 1965, (i) personally appeared before me, a Notary Public in and for the County of Suffolk, FLETCHER C. CHAMBERLIN, known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned; and (ii) also before me appeared the same FLETCHER C. CHAMBERLIN, to me personally known, who being by me duly sworn did say that the foregoing instrument was signed by him as his free act and deed.

*James L. Terry*  
JAMES L. TERRY, Notary Public  
My commission expires May 31, 1969.



41321

File No. \_\_\_\_\_

RECORDED AT THE REQUEST OF

*Sierra Pacific Power Co*

*October 4* A. D. 19*65*

At *50* minutes past *10 A.* M.

in Book *8* of OFFICIAL RECORDS

Page *474-519* Records of

EUREKA COUNTY NEVADA

*William A. DePaul* Recorder

Fee \$ *44.75*