

80367

SIERRA PACIFIC POWER COMPANY
TO
NEW ENGLAND MERCHANTS NATIONAL BANK
(successor to The New England Trust Company)

AND
JAMES S. FISHER,
as Trustees

Twenty-third Supplemental Indenture

Dated as of May 1, 1981

**Supplementing the Indenture of Mortgage
dated as of December 1, 1940.**

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

BOOK 94 PAGE 474

THIS TWENTY-THIRD SUPPLEMENTAL INDENTURE dated as of the first day of May, 1981 by and between **SIERRA PACIFIC POWER COMPANY**, as Debtor (its IRS employer identification 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 is P.O. Box 10100, Reno, Nevada 89520 and address of its chief place of business is 100 East Moana Lane, Reno, Nevada, party of the first part, and **NEW ENGLAND MERCHANTS NATIONAL BANK** (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 IRS employer identification number being 04-2274939) and **JAMES S. FISHER**, as Co-Trustee and Secured Party (whose Social Security number is 008-28-5228 and whose residence address is 16 Concord Road, Sudbury, Massachusetts), the mailing address of each of whom is 28 State Street, Boston, Massachusetts 02109 (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 then existing under the laws of the State of Maine (hereinafter called the "Predecessor Company"), 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** 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, 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 the merger of said New England Merchants National Bank of Boston into New England Merchants Bank (National Association) under the name New England Merchants National Bank as of June 18, 1970; 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

WHEREAS, on November 18, 1974, Fletcher C. Chamberlin resigned as Co-Trustee and the Company and the Trustee, in accordance with the provisions of § 15.20 of the Original Indenture, accepted such resignation and appointed James S. Fisher as successor Co-Trustee thereunder, and James S. Fisher 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 Predecessor 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 was 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, the Company heretofore executed and delivered to the Trustees an Eleventh Supplemental Indenture dated as of October 1, 1965, a Twelfth Supplemental Indenture dated as of July 1, 1967, a Thirteenth Supplemental Indenture dated as of May 1, 1970, a Fourteenth Supplemental Indenture dated as of November 1, 1972, a Fifteenth Supplemental Indenture dated as of May 1, 1974, a Sixteenth Supplemental Indenture dated as of October 1, 1975, a Seventeenth Supplemental Indenture dated as of July 1, 1976, an Eighteenth Supplemental Indenture dated as of August 1, 1977, a Twenty-first Supplemental Indenture dated as of August 1, 1979 and a Twenty-second Supplemental Indenture dated as of October 1, 1980, each 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 executed and delivered to the Trustees a Nineteenth Supplemental Indenture dated as of April 1, 1978 and a Twentieth Supplemental Indenture dated as of October 1, 1978, each modifying the Original Indenture; 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> |
|--|-----------------------------------|
| 3½% 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 |
| 4¼% Bonds of 1992 Series | 5,000,000 |
| 4¼% Bonds of 1994 Series | 7,000,000 |
| 5 % Bonds of 1995 Series | 10,000,000 |
| 6½% Bonds of 1997 Series | 15,000,000 |
| 8¼% Bonds of 2002 Series | 20,000,000 |
| 9¼% Bonds of 2004 Series | 30,000,000 |
| 2 % Bonds of 2011 Series | 3,404,250 |
| 7¼% Bonds of Series P due 2006 | 10,000,000 |
| 8¼% Bonds of Series Q due 2007 | 35,000,000 |
| 6.80% Bonds of Series R due 2009 | 30,000,000 |
| 14¼% Bonds of Series S due 2010 | 30,000,000; and |

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, 15 $\frac{1}{2}$ % Series T due 1991, to be due May 22, 1991 (hereinafter sometimes referred to as "Bonds of the T Series") and has authorized the issue of Bonds of the T Series in the principal amount of Sixty Million Dollars (\$60,000,000) pursuant to the provisions of Article 3 of the Original Indenture for the purpose of obtaining 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; and

WHEREAS, the Company desires to execute this Twenty-third Supplemental Indenture and hereby requests the Trustees to join in this Twenty-third Supplemental Indenture for the purpose of (i) describing the terms of the Bonds of the T Series and (ii) 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 Twenty-third Supplemental Indenture and to make this Twenty-third 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, 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:

LANDER COUNTY

(1) The following described property situate in Lander County, Nevada, which Thomas E. DeFoor, also known as Thomas Eugene DeFoor, and Gloria J. DeFoor, husband and wife, conveyed to Sierra Pacific Power Company by deed dated November 6, 1980; recorded in Book 186 of

Deeds, Page 555, File #102683, Official Records of Lander County, Nevada; less an undivided one-half interest as a tenant in common which Sierra Pacific Power Company conveyed to Idaho Power Company by deed dated January 27, 1981, recorded in Book 190, Page 253, File #104268, Official Records of Lander County, Nevada:

Township 34 North, Range 45 East, M.D.B.&M., Section 30, West one-half ($W\frac{1}{2}$), SAVING AND EXCEPTING:

All that certain real property being a portion of the Southeast one-quarter of the Southwest one-quarter ($SE\frac{1}{4} SW\frac{1}{4}$) of Section 30, Township 34 North, Range 45 East, M.D.B.&M., Lander County, Nevada, more particularly described as follows:

Beginning at the Southeast corner of said Southeast one-quarter of the Southwest one-quarter ($SE\frac{1}{4} SW\frac{1}{4}$); thence West 1320.0 feet along the South line of said Section 30 to the Southwest corner of said Southeast one-quarter of the Southwest one-quarter ($SE\frac{1}{4} SW\frac{1}{4}$); thence Northeasterly along the arc of a curve to the left having a radius of 1320.0 feet, a central angle of $90^{\circ}00'$ and a tangent of East, a distance of 2073.45 feet to the Northeast corner of said Southeast one-quarter of the Southwest one-quarter ($SE\frac{1}{4} SW\frac{1}{4}$); thence South 1320.0 feet along the East line of the West one-half ($W\frac{1}{2}$) of said Section 30 to the point of beginning.

Containing 8.584 acres, more or less.

(2) The following described property situate in Lander County, Nevada, which Thomas E. DeFoor, also known as Thomas Eugene DeFoor, and Gloria J. DeFoor, husband and wife, conveyed to Sierra Pacific Power Company by deed dated November 6, 1980; recorded in Book 186 of Deeds, Page 557, File #102684, Official Records of Lander County, Nevada; less an undivided one-half interest as a tenant in common which Sierra Pacific Power Company conveyed to Idaho Power Company by deed dated January 27, 1981, recorded in Book 190, Page 253, File #104268, Official Records of Lander County, Nevada:

Approximately 322 acres, plus or minus, of real property located in Lander County, Nevada, and more particularly described as:

The North one-half ($N\frac{1}{2}$) of Section 4, Township 34 North, Range 45 East, M.D.B.&M.

NYE COUNTY

The following described property situate in Nye County, Nevada, which the Anaconda Company conveyed to Sierra Pacific Power Company by Deed dated October 3, 1980; recorded in Book 295 of Deeds, Page 553, File No. 36411, Official Records of Nye County, Nevada:

All that certain real property situate in Lot 1 and the Southeast one-quarter of the Northeast one-quarter (SE $\frac{1}{4}$ NE $\frac{1}{4}$) of Section 2, T5N, R41E, MDB&M, Nye County, Nevada, more particularly described as follows:

Commencing at a found section corner designating the Southeast corner of Section 35, T6N, R41E, MDB&M;

Thence North 88°54'32" West, 1036.28 feet, along the North section line of said Section 2;

Thence South 0°26'57" West, 1248.87 feet, to a point lying on the North Substation boundary line also the True Point of Beginning;

Thence South 89°33'03" East, 300.00 feet;

Thence South 0°26'57" West, 400.00 feet;

Thence North 89°33'03" West, 400.00 feet;

Thence North 0°26'57" East, 400.00 feet, along the $\frac{1}{6}$ line of said Section 2;

Thence South 89°33'03" East, 100.00 feet, to the True Point of Beginning.

Containing 3.673 acres, more or less.

PART II.

REAL PROPERTY IN THE STATE OF CALIFORNIA

The following described pieces, parcels or tracts of land, 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:

EL DORADO COUNTY

The following described property situate in El Dorado County, California, which Mabel Winter Whitney, also known as Mabel Winter,

conveyed to Sierra Pacific Power Company by deed dated October 1, 1980 and recorded in Book 1942 of Deeds, Page 342, File No. 38943, Official Records of El Dorado County, California:

PARCEL 1

All that certain real property being all of Block 4, of Pinewood Park (also known as Pinewood Park Subdivision) as depicted on the Official Map thereof filed in the office of the County Recorder of El Dorado County, California, on July 19, 1926, in Book "A" of Maps, Page 9.

PARCEL 2

All that certain real property situated in the Northwest one-quarter of the Northeast one-quarter (NW $\frac{1}{4}$ NE $\frac{1}{4}$) of Section 34, Township 13 North, Range 18 East, M.D.B.&M., more particularly described as follows:

Beginning at the Southernmost corner of Lot 8, Block 3, of Pinewood Park (also known as Pinewood Park Subdivision) as depicted on the Official Map thereof filed in the office of the County Recorder of El Dorado County, California, on July 19, 1926, in Book "A" of Maps, Page 9, said corner also being the Westernmost corner of that certain parcel conveyed to Sierra Pacific Power Company, by Mabel W. Whitney, as Parcel No. 2 by Deed recorded January 3, 1956, Vol. 374, Page 85, Official Records of El Dorado County, California.

Thence, South 60°32' East 100 feet, more or less, along the Southerly boundary line of said Sierra Pacific Power Company parcel, extended or foreshortened so as to terminate at a point on the Northwesterly boundary line of that certain parcel of land conveyed to the State of California by Mabel Whitney by deed recorded May 7, 1969, Book 930, Page 236.

Thence, along the said Northwesterly boundary line of the said State of California parcel South 32°55'07" West 281.25 feet, more or less, to the intersection with the Northeasterly boundary of that certain parcel of land conveyed to Lola Bennett by Walter J. Schulz by deed recorded September 20, 1963, Book 655, Page 393.

Thence, along the said Northeasterly boundary line of the said Lola Bennett parcel North 60°32' West 72.0 feet, more or less, to the most

Easterly corner of Lot 8, Block 9 of the aforementioned Pinewood Park Subdivision.

Thence, North 29°28' East 280.0 feet, more or less, to the point of beginning.

NEVADA COUNTY

The following described property situate in Nevada County, California, which Carey and Carey, a partnership composed of Leonard F. Carey and Helen Carey, conveyed to Sierra Pacific Power Company by deed dated October 27, 1980; recorded as File No. 81-01999, Official Records of Nevada County, California:

PARCEL 1 of Parcel Map—Carey and Carey, a partnership composed of Leonard F. Carey and Helen Carey being a portion of Section 4, Township 17 North, Range 17 East, M.D.M., as shown on the map thereof, filed in the office of the Recorder of the County of Nevada, State of California, on December 17, 1980 in Book 15 of Parcel Maps, Page 49.

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, ordinances, 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 Carson City, Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lyon, Mineral, Nye, Pershing,

Storey, Washoe and White Pine, 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 interest 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, system 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.

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) 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 § 5.16 of the Original Indenture as renumbered by § 1.07 of the Twentieth Supplemental 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

(B) 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 as modified by § 1.03 of the Twentieth Supplemental 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 T SERIES.

§ 1.01. *Establishment of Bonds of the T 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, 15 $\frac{3}{4}$ % Series T due 1991" (herein sometimes referred to as "Bonds of the T Series"). The Bonds of the T Series shall be limited to \$60,000,000 aggregate principal amount at any time outstanding issuable forthwith or from time to time prior to July 15, 1981 upon compliance by the Company with the provisions of the Indenture.

§ 1.02. *Terms of Bonds of the T Series.* The Bonds of the T Series shall be issued only as registered Bonds without coupons of the denomination of \$1,000 or any multiple thereof, numbered T1 upwards. May 22, 1981 shall be the date of the commencement of the first interest period for Bonds of the T Series. All Bonds of the T Series shall mature May 22, 1991 and shall bear interest at the rate of 15 $\frac{3}{4}$ % per annum until the payment of the principal thereof, such interest to be payable semi-annually on May 22 and November 22 in each year commencing November 22, 1981. The principal of and premium, if any, and interest on the Bonds of the T Series will be paid in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts and will be payable at the principal corporate trust office in the City of Boston, Massachusetts, of the Trustee, except that, in case of redemption as a whole at any time of the Bonds of the T Series then outstanding, the Company may designate in the redemption notice other offices or agencies at which, at the option of the registered holders, Bonds of the T Series may be

surrendered for redemption and payment. Interest on Bonds of the T Series will be payable to the holder of record on the record date as hereinbelow defined; provided, however, that interest on the Bonds of the T Series may be paid by checks payable to the order of the respective holders entitled thereto and mailed to such holders at their respective registered addresses as shown on the Bond register for the Bonds of the T Series.

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

The definitive Bonds of the T Series may be issued in the form of Bonds engraved, printed or lithographed.

The person in whose name any Bond of the T Series is registered at the close of business on any record date (as hereinbelow defined) with respect to any interest payment date shall be entitled to receive the interest payable on such interest payment date notwithstanding the cancellation of such Bond of the T Series upon any transfer or exchange thereof (including any exchange effected as an incident to a partial redemption thereof) subsequent to the record date and prior to such interest payment date, except that, if and to the extent that the Company shall default in the payment of the interest due on such interest payment date, then the registered holders of Bonds of the T Series on such record date shall have no further right to or claim in respect of such defaulted interest as such registered holders on such record date, and the persons entitled to receive payment of any defaulted interest thereafter payable or paid on any Bonds of the T Series shall be the registered holders of such Bonds of the T Series on the record date for payment of such defaulted interest. The term "record date" as used in this § 1.02, and in the form of the Bonds of the T Series, with respect to any interest payment date applicable to the Bonds of the T Series, shall mean the May 8 next preceding a May 22 interest payment date or the November 8 next preceding a November 22 interest payment date, as the case may be, or such record date established for defaulted interest as hereinafter provided.

In case of failure by the Company to pay any interest when due, the claim for such interest shall be deemed to have been transferred by transfer of any Bond of the T Series registered on the Bond register for the Bonds of the T Series and the Company, by not less than 10 days written notice to

bondholders, may fix a subsequent record date, not more than 15 days prior to the date fixed for the payment of such interest, for determination of holders entitled to payment of such interest. Such provision for establishment of a subsequent record date, however, shall in no way affect the right of bondholders or of the Trustee consequent on any default.

Every Bond of the T Series shall be dated as provided in § 2.08 of the Original Indenture as modified by § 2.03 of the Twelfth Supplemental Indenture, except that, so long as there is no existing default in the payment of interest on the Bonds of the T Series, all Bonds of the T Series authenticated by the Trustee between the record date for any interest payment date and such interest payment date shall be dated such interest payment date and shall bear interest from such interest payment date; provided, however, that if and to the extent that the Company shall default in the payment of the interest due on such interest payment date, then any such Bond of the T Series shall bear interest from the May 22 or November 22, as the case may be, to which interest has been paid, unless such interest payment date is November 22, 1981, in which case such Bond shall bear interest from May 22, 1981.

Any notice affecting or relating to the Bonds of the T Series required or permitted to be given under the Indenture may be given by mailing the same by first class mail, postage prepaid, to the holders of record at the date of mailing at their respective addresses as the same appear on the Bond register for the Bonds of the T Series. The certificate of the Trustee that such mailing has been effected shall be conclusive evidence of compliance with the requirements of this § 1.02 and of § 16.08 of the Original Indenture as modified by § 2.07 of the Twelfth Supplemental Indenture, whether or not any holder receives such notice.

As permitted by the provisions of § 2.06 of the Original Indenture and upon payment at the option of the Company of a sum sufficient to reimburse it for any stamp tax or other governmental charge as provided in said § 2.06, Bonds of the T Series may be exchanged for other Bonds of the T Series of different authorized denominations of like aggregate principal amount. Notwithstanding the provisions of said § 2.06, no further sum, other than the sum sufficient to reimburse the Company for such stamp taxes or other governmental charges, shall be required to be paid upon any exchange of Bonds of the T Series or upon any transfer thereof.

Neither the Company nor the Trustee shall be required to make transfers or exchanges of Bonds of the T Series for a period of 10 days next preceding any designation of Bonds of the T Series to be redeemed, and neither the Company nor the Trustee shall be required to make transfers or exchanges of any Bonds designated in whole for redemption or that part of any Bond designated in part for redemption.

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 T Series, and shall maintain a Bond register for the Bonds of the T Series.

§ 1.03. *Redemption Provisions for Bonds of the T Series.* The Bonds of the T Series shall not be subject to redemption prior to maturity except as set forth in this § 1.03. The Bonds of the T Series shall be subject to redemption prior to maturity,

(a) as a whole at any time on or after May 22, 1988 or in part from time to time on or after May 22, 1988, 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 form of the Bonds of the T Series set forth in § 1.06 of this Twenty-third Supplemental Indenture;

(b) as a whole at any time or in part from time to time, at the option of the Company, 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 any class of business thereof, except the electric business of the Company and except the gas system, are sold, purchased or taken, as provided in § 6.05(1) of the Original Indenture, upon payment of the called principal amount thereof; provided, however, that no such redemption of the Bonds of the T Series shall be made unless concurrently therewith there shall also be redeemed or prepaid (through the application of such cash) an aggregate principal amount of Bonds of one or more other series then outstanding which bears (as nearly as practicable) the same relation to the then outstanding aggregate principal amount of the Bonds of all series (other than Bonds of the T Series and other than Bonds of any series which in accordance with the terms thereof may not as of the date of such redemption be redeemed or prepaid through the application of such cash) as the

aggregate principal amount of the Bonds of the T Series so redeemed bears to the then outstanding aggregate principal amount of the Bonds of the T Series; and

(c) as a whole at any time, 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 its electric business are sold, purchased or taken, as provided in § 6.05(2) of the Original Indenture, upon payment of the called principal amount thereof;

together in any case with interest accrued on such principal amount to the date fixed for redemption, upon not less than thirty (30) days nor more than ninety (90) days notice given as provided in Article 4 and § 16.08 of the Original Indenture as respectively modified by § 2.06 and § 2.07 of the Twelfth Supplemental Indenture.

The provisions of Article 4 of the Original Indenture as so modified shall govern redemptions of Bonds of the T Series, except that if less than all of the Bonds of the T Series are to be redeemed: (i) the particular Bonds of the T Series to be redeemed shall be selected by the Trustee from the outstanding Bonds of the T Series not previously called for redemption by pro-rating as nearly as may be among all the outstanding Bonds of the T Series in the proportion that their respective outstanding principal amounts bear to the aggregate principal amount of the Bonds of the T Series outstanding on the date of selection (it being understood that the portion of any Bond of the T Series to be redeemed shall be in the principal amount of one thousand dollars (\$1,000) or an integral multiple thereof and that such allocation as may be requisite for this purpose shall be made by the Trustee in its uncontrolled discretion); and (ii) the provisions of § 3.01 of this Twenty-third Supplemental Indenture shall apply notwithstanding any contrary provision of the Original Indenture, of the Bonds of the T Series or hereof.

The Company covenants that it will not, and will not permit any affiliate to, acquire, directly or indirectly, by purchase or otherwise, less than all of the Bonds of the T Series at any time outstanding, except by redemption in accordance with the provisions of this Section.

§ 1.04. *Restrictions on Payment of Dividends on Common Stock.* Notwithstanding the provision of § 1.03 of Article I of the Nineteenth

Supplemental Indenture that the provisions of said § 1.03 shall be in force and effect only so long as there are outstanding any Bonds of any series issued before the date of the Nineteenth Supplemental Indenture, the Company hereby covenants that the covenants made by the Company in said § 1.03 of said Article 1 of the Nineteenth Supplemental Indenture shall also continue so long as any Bonds of the T Series shall remain outstanding.

§ 1.05. *Minimum Provision for Depreciation.* So long as any Bonds of the T Series shall remain outstanding, the term "minimum provision for depreciation" shall have the meaning set forth in § 1.01(ii) of the Indenture as inserted by § 1.01 of the Nineteenth Supplemental Indenture.

§ 1.06. *Form of Bonds of the T Series.* The Bonds of the T Series and the Trustee's authentication certificate to be executed on the Bonds of said series shall be substantially in the forms following, respectively:

[FORM OF BONDS OF T SERIES]

No. T

S

SIERRA PACIFIC POWER COMPANY
Incorporated under the laws of the State of Nevada
First Mortgage Bond, 15½% Series T due 1991,
due May 22, 1991

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 referred to), for value received, hereby promises to pay to _____ or registered assigns, _____ Dollars on May 22, 1991, and to pay interest thereon from May 22, 1981, 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 per annum specified in the title of this bond, semi-annually on the twenty-second day of May and on the twenty-second day of November in each year until payment of the principal hereof.

The interest so payable upon any May 22 or November 22 will, subject to certain exceptions hereinafter described, be paid to the person in whose name this bond is registered at the close of business on the May 8 preceding

such May 22 or the November 8 preceding such November 22, as the case may be.

The principal of and premium, if any, and interest on this bond will be paid in lawful money of the United States of America. Principal of and premium, if any, and interest on this bond will be payable at the principal corporate trust office in the City of Boston, Massachusetts of the Trustee hereinafter named; provided, however, that interest on this bond may be paid by check payable to the order of the registered holder entitled thereto and mailed to such holder at his address as shown on the bond register for the Bonds of the T Series; and provided further that, in case of redemption as a whole at any time of the Bonds of the T Series then outstanding, the Company may designate in the redemption notice other offices or agencies at which, at the option of the registered holder, this bond may be surrendered for redemption and payment.

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.

This bond is one of the bonds of a series (herein sometimes referred to as the "Bonds of the T Series") of an authorized issue of bonds of the Company, known as First Mortgage Bonds (which First Mortgage Bonds are not limited as to maximum aggregate principal amount except as otherwise provided in the Indenture hereinafter referred to), 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 by succession, herein sometimes called the "Trustee"), and Leo W. Huegle (now James S. Fisher 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, by the Tenth

Supplemental Indenture, dated as of March 31, 1965, by the Twelfth Supplemental Indenture, dated as of July 1, 1967, by the Fourteenth Supplemental Indenture, dated as of November 1, 1972, by the Fifteenth Supplemental Indenture, dated as of May 1, 1974, by the Seventeenth Supplemental Indenture, dated as of July 1, 1976, by the Eighteenth Supplemental Indenture, dated as of August 1, 1977, by the Nineteenth Supplemental Indenture, dated as of April 1, 1978, and by the Twentieth Supplemental Indenture, dated as of October 1, 1978, and as supplemented by all other indentures supplemental thereto including a Twenty-third Supplemental Indenture, dated as of May 1, 1981, 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 the Indenture; but neither the foregoing reference to the Indenture, nor any provision of this bond or of the Indenture, shall affect or impair the obligation of the Company, which is absolute, unconditional and unalterable, to pay at the maturity herein provided the principal of and premium, if any, and interest on this bond as herein provided.

The 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 the 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 the Indenture upon any property subject thereto.

As more fully set forth in the Twenty-third Supplemental Indenture, the Bonds of the T Series are subject to redemption prior to maturity (a) as a whole at any time on or after May 22, 1988 or in part from time to time on or after May 22, 1988, 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) (in the instances and subject to the limitations provided in the Twenty-third Supplemental 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 called principal amount thereof:

| 12 Months' Period Beginning May 22 | Regular Redemption Price % |
|------------------------------------|----------------------------|
| 1988..... | 104.0 |
| 1989..... | 102.0 |
| 1990..... | 100.0; |

together in any case with interest accrued on said principal amount to the date fixed for redemption; upon prior notice given by first class mail, postage prepaid, to the holder of record of each bond affected not less than thirty (30) days nor more than ninety (90) days prior to the redemption date and subject to all other conditions and provisions of 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 (of authorized denominations of the same series) for the unredeemed balance of the principal amount of this bond. In the event of the redemption of this bond in whole, payment of the redemption price will be made only upon surrender of this bond.

To the extent permitted and as provided in the Indenture, modifications or alterations of the 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, if any, 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 may be effected as aforesaid.

The Company and the Trustee and any paying agent may deem and treat the person in whose name this bond shall be registered upon the bond register for the Bonds of the T Series as the absolute owner of such bond for the purpose of receiving payment of or on account of the principal of and interest on this bond and for all other purposes, whether or not this bond be overdue, and neither the Company nor the Trustee nor any paying agent shall be affected by any notice to the contrary; and all such payments so made to such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon this bond to the extent of the sum or sums so paid.

This bond is transferable by the registered owner hereof in person or by his duly authorized attorney, at the principal corporate trust office in Boston, Massachusetts of the Trustee, upon surrender of this bond for cancellation and upon payment, if the Company shall so require, of a sum sufficient to reimburse the Company for any stamp tax or other governmental charge incident thereto, 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 upon payment, if the Company shall so require, of a sum sufficient to reimburse the Company for any stamp tax or other governmental charge incident thereto, and subject to the terms and conditions set forth in the Indenture.

Neither the Company nor the Trustee shall be required to make transfers or exchanges of bonds of this series for a period of ten days next preceding any designation of bonds of said series to be redeemed, and neither the Company nor the Trustee shall be required to make transfers or exchanges of any bonds designated in whole for redemption or that part of any bond designated in part for redemption. Subject to the provisions of the Twenty-third Supplemental Indenture, if this bond is surrendered for any transfer or exchange between the record date for any regular interest payment date and such interest payment date, the new bond will be dated such interest payment date and the Twenty-third Supplemental Indenture provides that in the event of any default in payment of the interest due on such payment date, such interest shall not be payable to the holder of the bond on the original record date but shall be paid to the registered holder of such bond on the subsequent record date established for payment of such defaulted interest.

In case an event of default as defined in the 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 the 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 the 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 (in the instances provided in the Indenture), upon receipt by the Company of payment or compensation, become due and payable before maturity at the principal amount thereof and accrued interest thereon, all as provided in the 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 the Indenture.

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.

Dated:

SIERRA PACIFIC POWER COMPANY

By.....
President.

Attest:

.....
Secretary.

[CORPORATE SEAL.]

[FORM OF TRUSTEE'S AUTHENTICATION CERTIFICATE]

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

NEW ENGLAND MERCHANTS NATIONAL BANK,
Corporate Trustee

By
Authorized Signer.

§ 1.07. *Representations and Warranties.* So long as any Bonds of the T Series shall remain outstanding, the Company covenants and agrees for the benefit of the holders of all First Mortgage Bonds issued and to be issued under the Indenture that the representations and warranties of the Company contained in those certain substantially identical Bond Purchase Agreements dated as of May 1, 1981 between the Company and the respective original holders of the Bonds of the T Series, or otherwise made in writing by the Company in connection with the consummation of the transactions contemplated by said Agreements, shall have been true and correct in all material respects as of the date as of which made.

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

ARTICLE 2.

PRINCIPAL AMOUNT OF BONDS PRESENTLY TO BE OUTSTANDING.

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 Two Hundred Seventy-one Million Nine Hundred Four Thousand Two Hundred and Fifty Dollars (\$271,904,250), namely Four Million Dollars (\$4,000,000) principal amount of First Mortgage Bonds, 3¾% 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, 4¼% 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, 4½% Series due 1992, now issued and outstanding, Seven Million Dollars (\$7,000,000) principal amount of First Mortgage Bonds, 4½% Series due 1994, now issued and outstanding, Ten Million Dollars (\$10,000,000) principal amount of First Mortgage Bonds, 5% Series due 1995, now issued and outstanding, Fifteen Million Dollars (\$15,000,000) principal amount of First Mortgage Bonds, 6½% Series due 1997, now issued and outstanding, Twenty Million Dollars (\$20,000,000) principal amount of First Mortgage Bonds, 8½% Series due 2002, now issued and outstanding, Thirty Million Dollars (\$30,000,000) principal amount of First Mortgage Bonds, 9½% Series due 2004, now issued and outstanding, Three Million Four Hundred Four Thousand Two Hundred Fifty Dollars (\$3,404,250) principal amount of First Mortgage Bonds, 2% Series due 2011, now issued and outstanding, Ten Million Dollars (\$10,000,000) principal amount of First Mortgage Bonds, 7½% Series P due 2006, now issued and outstanding, Thirty-five Million Dollars (\$35,000,000) principal amount of First Mortgage Bonds, 8½% Series Q due 2007, now issued and outstanding, Thirty Million Dollars (\$30,000,000) principal amount of First Mortgage Bonds, 6.80% Series R due 2009, now issued and outstanding, Thirty Million Dollars (\$30,000,000) principal amount of First Mortgage Bonds, 14½% Series S due 2010, now issued and outstanding, and Sixty Million Dollars (\$60,000,000) principal amount of First Mortgage Bonds, 15½% Series T due 1991 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. *Home Office Payment, etc.* The Company may enter into a written agreement with any person who is or is to become the holder of any of the Bonds of the T Series providing for the making of all payments on account of such Bonds of the T Series prior to final maturity (including payment of the redemption price of a portion of any such Bonds of the T Series to be redeemed) directly to or for the account of such holder in the manner specified in or pursuant to such agreement without presentation or

surrender thereof (provided that such Bonds of the T Series are not being redeemed in full) if there shall be filed with the Trustee a duplicate original or conformed copy of such agreement and if such agreement shall provide that such holder will not sell, transfer or otherwise dispose of any Bonds of the T Series unless prior to delivery thereof such holder shall have made or caused to be made a notation on such Bonds of the T Series of any portion thereof theretofore redeemed and the date to which interest has been paid thereon, and such Bonds of the T Series shall have been presented to the Trustee for inspection, or shall have submitted the same to the Trustee for such notation, or shall surrender the same in exchange for a new Bond of the T Series or Bonds of the T Series for the unredeemed balance of the principal amount thereof. Notwithstanding any contrary provision hereof or of the Original Indenture, the Trustee may act in accordance with any such agreement and shall not be liable or responsible to any such holder or to the Company or to any other person for any act or omission to act on the part of the Company or any such holder in connection with any such agreement. The Company will indemnify and save the Trustee harmless against any liability resulting from any such act or omission and against any liability resulting from any action taken by the Trustee in accordance with the provisions of any such agreement.

The Trustee agrees that the indemnity agreement in accordance with § 2.11 of the Original Indenture in favor of the Company and the Trustee of any original holder of a Bond of the T Series (or of any other bank, savings institution, trust company, insurance company, pension fund, profit sharing fund, or like institution, which holds at least \$1,000,000 aggregate principal amount of outstanding Bonds of the T Series) shall constitute sufficient indemnity (and no surety shall be required) for the purpose of § 2.11 of the Original Indenture in any case of loss, mutilation, defacement or destruction of any such Bonds of the T Series. The Company will indemnify and save the Trustee harmless against any liability resulting from the Trustee's agreement under this paragraph or resulting from any action taken or omitted by the Trustee in accordance with its agreement under this paragraph.

§ 3.02. *Confirmation.* 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 con-

firmed. All terms used in this Twenty-third 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.

§ 3.03. *Recitals.* 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.

§ 3.04. *Date of Execution.* Although this Supplemental Indenture is dated for convenience and for the purpose of reference as of May 1, 1981, the actual date or dates of execution by the Company and the Trustees are as indicated by their respective acknowledgments hereto annexed.

§ 3.05. *Counterparts.* 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.

§ 3.06. *Company Acknowledgment of Receipt.* 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 Twenty-third 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 in token of its acceptance of the trust hereby created has caused this Twenty-third 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 Vice Presidents or Assistant Vice Presidents or Trust Officers or Assistant Trust Officers, and its corporate seal to be attested by one of its Assistant Trust Officers; and James S. Fisher 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 [Signature]
Senior Vice President.

Attest: [Signature]
Secretary.

(CORPORATE SEAL)

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

[Signature]

NEW ENGLAND MERCHANTS NATIONAL BANK

By [Signature]
Trust Officer.



Attest: [Signature]
Assistant Trust Officer.

(CORPORATE SEAL)

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

[Signature]

[Signature]
JAMES S. FISHER



Signed, sealed and delivered by JAMES S. FISHER in the presence of:

[Signature]

BOOK 94 PAGE 502

STATE OF NEVADA
COUNTY OF WASHOE

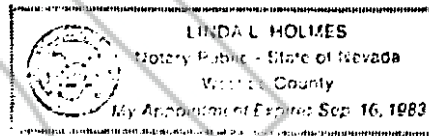
} ss.:

On this 19th day of May, A.D., 1981, (i) personally appeared before me, a Notary Public in and for the County of Washoe, J. R. PEDERSEN, known to me to be the 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 personally appeared M. L. JONES and the same J. R. PEDERSEN, to me personally known, who being by me duly sworn did say that they are a Senior Vice President and the Secretary, respectively, of Sierra Pacific Power Company, and that the seal affixed to the foregoing instrument is the corporate seal of said Corporation, and acknowledged that the foregoing instrument was executed by them on behalf of said Corporation by authority of the Directors, and the said M. L. JONES and J. R. PEDERSEN, also acknowledged the said instrument to be the free act and deed of said Corporation.

Linda L. Holmes
Notary Public

My commission expires 9-16-83

(NOTARIAL SEAL)



BOOK 094 PAGE 503

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

On this 19 day of May, A.D., 1981, (i) personally appeared before me, a Notary Public in and for the County of Suffolk, BRIAN J. CURTIS, known to me to be an Assistant Trust Officer of New England Merchant National Bank, 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 GERALD R. WHEELER and the same BRIAN J. CURTIS to me personally known, who being by me duly sworn did say that they are a Trust Officer and an Assistant Trust Officer, respectively, of New England Merchants National Bank, 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 GERALD R. WHEELER and BRIAN J. CURTIS acknowledged said instrument to be the free act and deed of said Bank.

Richard E. Pitts
.....
Notary Public

My commission expires

(NOTARIAL SEAL)

My Commission Expires May 28, 1987,
RICHARD E. PITTS



BOOK 094 PAGE 504

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

On this 19 day of May, A.D., 1981 (i) personally appeared before me, a Notary Public in and for the County of Suffolk, JAMES S. FISHER, 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 JAMES S. FISHER, 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.

Richard E. Pitts
Notary Public

My commission expires

(NOTARIAL SEAL)

My Commission Expires May 28, 1987
RICHARD E. PITTS

RECORDED AT THE REQUEST OF Sierra Pacific Power Co.
on May 20, 1981 at 80 mins. past 11 A.M.
Book 94 of OFFICIAL RECORDS, page 474 RECORDS OF
EUREKA COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
No. 80367 Fee & 34.00



BOOK 94 PAGE 505