

EXHIBIT

TMWA 2-6

**Agreement Between Sierra Pacific
Power Company and Washoe County
Water Conservation District,
July 18, 1988**

AGREEMENT

THIS AGREEMENT, made this 18TH day of JULY, 1988, by and between WASHOE COUNTY WATER CONSERVATION DISTRICT, an irrigation district organized and existing under the laws of the State of Nevada, hereinafter called "Conservation District", First Party, and WESTPAC UTILITIES, a division of SIERRA PACIFIC POWER COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Nevada, hereinafter called "Westpac", Second Party.

WITNESSETH:

WHEREAS, under the terms of that certain agreement dated July 1, 1935, between the parties hereto and others, commonly known as the Truckee River Agreement, Conservation District is operating and controlling the storage and release of waters in and from Boca Dam on the Little Truckee River in California; and

WHEREAS, Westpac is the private owner of Independence Lake, California and the water stored therein, which waters reach the Truckee River through the Little Truckee River and the works of Boca Dam; and

WHEREAS, Westpac is the private owner of an undivided one-half interest in Donner Lake, California, and the water stored therein, which water can reach the works of Boca Reservoir through credit storage operation; and

WHEREAS, it is the desire of Westpac to secure the right to release waters from Independence and Donner Lakes for drought storage in Boca Dam and for release therefrom at such times and rates as may be by it specified:

NOW THEREFORE, it is hereby agreed:

1. During the terms of this agreement, Westpac may release from Independence and Donner Lakes for restorage in Boca Dam such amounts of water as will not in the opinion of Conservation District interfere with flood control or with the proper storage of supplemental stored water or additional supplemental stored water as defined in said Truckee River Agreement, provided, however, that the total amount of water contained in said Boca Reservoir at any particular time during said period, including Independence and Donner Lake water and all other water stored therein, shall not exceed forty thousand eight hundred (40,800) acre feet.

The amount of said Independence Lake release shall be determined by measurements made in the stream channel immediately below the outlet works of Independence Lake. The amount of said Donner Lake storage shall be determined by measurements made in the stream channel immediately below the outlet works of Donner Lake and retaining in Boca Reservoir an equivalent amount of stored water which would otherwise have been released from Boca Reservoir. When said waters are so restored they shall be released by Conservation District from Boca Reservoir in such amounts and at such times as instructions from Westpac may direct. Provided, however, that any spill from Boca Reservoir shall be deemed to first spill Westpac water and further provided that Westpac shall share in the evaporation losses in proportion to the amount of water stored by Westpac under this Agreement.

2. Westpac shall compensate the Conservation District annually on or before May first of each year for Independence

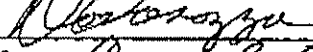
and/or Donner water restored during the previous October first to March first period at the following rate: for all Independence and/or Donner Lake waters restored and which are released in excess of Floriston rate water as defined in said Truckee River Agreement the sum of 15¢ per acre foot; for all Independence and/or Donner Lake waters restored and released for the purpose of maintaining Floriston rates as so defined, the sum of 10¢ per acre foot.

3. All waters of Westpac impounded in Boca Reservoir each year during the term of this agreement shall be construed to be Privately Owned Stored Water as defined by the Truckee River Agreement.

4. This agreement shall remain in full force and effect until it is terminated as follows: Either party may at any time give written notice to the other of its desire to terminate this agreement, and in that event this agreement shall terminate absolutely five years from the date of such written notice.

IN WITNESS WHEREOF the parties hereto have caused their corporate names to be hereunto subscribed and their corporate seals to be hereunto affixed by their respective officers thereunto duly authorized, the day and year first above written.

WASHOE COUNTY WATER CONSERVATION
DISTRICT

By 
Title: President

WESTPAC UTILITIES, a division of
SIERRA PACIFIC POWER COMPANY

By Jack L. Byrom
Title V.P. Engineering & Operations