



March 9, 2016

Steve Driscoll  
Sparks City Manager  
PO Box 857  
Sparks, NV 89432-0857

Dear Mr. Driscoll:

Re: NV Energy Gas and Electric Franchises – Request for Extension

Sierra Pacific Power Company, d/b/a NV Energy wishes to apply for a five year extension of the Gas and Electric Franchise Agreements with City of Sparks. These Agreements were executed in 2006, and provide for a 10 year term with two additional 5 year extension opportunities.

The Term Extensions provision in both agreements (Section 6(b) state that Sierra Pacific Power Company, as Franchisee, is to provide notice of its request for extension 24 months in advance of the end of the initial term. Thus notice of such request was due to City of Sparks by April 24, 2014. Unfortunately Sierra Pacific Power Company missed this deadline but did and still does wish to extend these agreements with City of Sparks for the 5 year term as provided for in both Agreements.

Sierra Pacific Power Company, as Franchisee, respectfully requests that City of Sparks allow this letter to serve as an effective request for extension in accordance with the provisions of the Gas and Electric Franchises, thereby waiving the 24 month written notice requirement for this extension only. Any future request for a second extension as allowed under the Franchise Agreements would still be subject to the 24 month notice requirement.

Sierra Pacific Power Company appreciates the working relationship it's had with the City of Sparks in supplying its residents and businesses with safe and reliable electricity and gas service, and looks forward to continuing to do so in the future. Thank you for consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Caudill".

Paul Caudill  
President, Sierra Pacific Power Company

RECEIVED

MAR 10 2016

CITY MANAGER