



March 15, 2019

Steve Driscoll, Sparks City Manager  
431 Prater Way  
Sparks, NV 89431

RE: Renewal of April 24, 2006 Electric and Gas Franchise Agreements

Dear Mr. Driscoll:

By this letter Sierra Pacific Power Company, d/b/a NV Energy ("Sierra Pacific"), requests five year extensions of the Electrical and the Gas System Franchise Agreements ("Franchise Agreements") between Sierra Pacific and the City of Sparks ("City") dated April 24, 2006. This request is made pursuant to Section 6 of the Franchise Agreements, which provide that:

- A. Initial Term. The term of the Franchise begins April 26, 2006 and remains in full force and effect for a period of ten (10) years, from and after such date, unless sooner terminated pursuant to the terms of the Franchise.
  
- B. Term Extensions. Upon written application by the Franchisee at least twenty-four (24) months prior to the end of the Initial Term, the City Council after a duly-noticed public hearing to be convened prior to the expiration of the Franchise, may extend the term of the Franchise for an additional five (5) years at its sole discretion ("First Extension") upon its same terms. The Franchisee may request a second five (5) year extension of time ("Second Extension") in the same manner as the First Extension.

This request is for the Second Extension as allowed under the Franchises. The First Extensions of the Franchises were granted by the Sparks City Council on April 11, 2016. Sierra Pacific believes that a review of the City will determine that it is and has during its terms been in full compliance with the terms of the Franchise Agreements. Sierra Pacific will provide whatever information and other assistance that the City requires in order to conduct its review.

Please contact the undersigned or Linda Bissett, Senior Government Affairs Advisor, if you have any questions.

Sincerely,

Douglas Brooks  
Senior Attorney  
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MAR 20 2019