THE STATE OF NEVADA

PERMIT TO CHANGE THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Name of applicant:	**CITY OF RENO AND CITY OF SPARKS BY AND THROUGH TRUCKEE MEADOWS WATER AUTHORITY**
Source:	**TRUCKEE RIVER**
Basin:	**TRUCKEE CANYON SEGMENT**
Manner of Use:	**STORAGE**
Period of Use:	**AS DECREED**
Priority Date:	**AS DECREED**

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APPROVAL OF STATE ENGINEER

This is to certify that I have examined the submitted application, and do hereby grant the same, subject to the following limitations and conditions:

This primary permit is issued under the authority of NRS 533.440 (secondary applications are required for the use of the stored water) and is only a temporary allowance. The final water right obtained will be dependent upon the amount of water actually placed to beneficial use under the secondary permits. This permit is subject to the continuing jurisdiction and regulation by the State Engineer and the Federal Water Master.

This permit, to change the point of diversion, manner and place of use of a portion of the waters of the Truckee River as heretofore granted under Permit 57791, which changed the point of diversion, manner and place of use of a portion of multiple claims of the Truckee River Decree, is issued subject to the terms and conditions imposed in said decree and with the understanding that no other rights on the source will be affected by the change proposed herein. A suitable measuring device must be installed and accurate measurements of water diverted into storage and released from storage must be recorded.

A monthly report shall be submitted to the State Engineer and the Federal Water Master within 10 days from the end of each month and shall include the amount of water diverted into storage and the amount of water used under each secondary permit.

This permit is hereby issued and becomes effective upon proof that the Orr Ditch Decree has been amended to allow changes to the Floriston Rates and the conditions required for the Truckee River Operating Agreement to enter into effect have been satisfied. The base right to this permit remains in full force and effect until such time that this permit becomes effective.

(Continued on Page 2)

No more than 25 percent of any water right can be taken into storage in any one month under a reduced diversion rate proportional to the consumptive and non-consumptive portions of the water right.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

The point of diversion and place of use are as described on the submitted application to support this permit.

The amount of water to be diverted shall be limited to:

- For Water Treatment Plants (Exhibit A of the application) - The entire amount, **194.99 acre-feet at a diversion rate of 0.8174 cubic feet per second when not diverted into the upstream reservoirs,** may be directly diverted into the water treatment plants to satisfy the secondary application for municipal use (S04),

OR

- For Upstream Reservoirs (Exhibit B of the application) - Only the consumptive use portion of the original decreed water right may be diverted for storage into these reservoirs. The consumptive use portion available for diversion under this permit, based on 2.50 acre-feet per acre, is **121.87 acre-feet, at a diversion rate of 0.5109 cubic feet per second**. The remainder, 73.12 acre-feet at a diversion rate of 0.3065 cubic feet per second, must remain in the river and be available for downstream users.

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before: **February 14, 2012**

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before: **N/A**

Map in support of proof of beneficial use shall be filed on or before: **N/A**

IN TESTIMONY WHEREOF, I, JASON KING, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 14th day of February, 2011

J. King P.E.

State Engineer

Completion of work filed _____

Serial No. 78014

PRIMARY

APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office FEB 1 1 2009

Returned to applicant for correction

Corrected application filed Map filed FEB 1 7 2006 under 7 3 7 8 3

The applicant City of Reno and City of Sparks by and through TMWA

P O Box 30013 (Street and No. or P.O. Box No.) of Reno (City or Town)

Nevada, 89520-3013 (State and Zip Code No.), hereby makes application for permission to change the Point of Diversion, Place of Use and Manner of Use of a portion of water heretofore appropriated under, Permit No. 57791

Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.

1. The source of water is Truckee River
   Name of stream, lake, underground, spring or other sources.
2. The amount of water to be changed 0.8174 cfs not to exceed 194.99 afa as described under Item 15 "Remarks"
   Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for Storage with secondary permits for beneficial uses allowed by the Truckee River Operating Agreement.
   Irrigation, power, mining, commercial, etc. If for stock state number and kind of animals. Must limit to one major use.
4. The water heretofore used for Municipal and Domestic
   If for stock state number and kind of animals.
5. The water is to be diverted at the following point All existing Points of Diversion and the addition of all existing reservoirs described in the attached Exhibits "A & B", respectively. Both existing PODs and reservoirs are shown on the Map filed under Primary Application No. 73783.
   Describe as being within a 40-acre subdivision of public survey and by course and distance to a section corner. If on unsurveyed land, it should be stated.
6. The existing points of diversion are located within The points of diversion of Sierra's existing water treatment plants As described in attached Exhibit "C" and shown on the map supporting Permit Nos. 49886 and 49887 on file with the Division of Water Resources, State of Nevada.
   If point of diversion is not changed, do not answer.

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78014

7. Proposed place of use The beneficial place of use will be set forth in applications for secondary permits consistent
Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.

With the Truckee River Operating Agreement. The water stored under this Primary Application will be in the reservoirs as shown on the supporting map filed with Primary Application No. 73783.

8. Existing place of use The certificated water service area of Sierra Pacific Power Company as described in the legal
Describe by legal subdivisions. If permit is for irrigation, state number of acres irrigated. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.

Description and shown on the supporting map on file with the State Engineer's office, Nevada Division of Water Resources.

9. Use will be from January 1 (Month and Day) to December 31 (Month and Day) of each year.

10. Use permitted from As Decreed (Month and Day) to As Decreed (Month and Day) of each year.

11. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) The diversion works for those Points of Diversion described in
State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.

Exhibit "A" and the existing reservoirs described in Exhibit "B" and shown on the map filed with Primary Application No. 73783 are completed and built.

12. Estimated cost of works None

13. Estimated time required to construct works None
If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use N/A

15. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

See remarks in Exhibit "D" attached hereto and made a part hereof. TMWA aka Truckee Meadows Water Authority

By Kenneth C. Briscoe
Signature, applicant or agent, Kenneth C. Briscoe

TMWA, P O Box 30013
Street and No., or P.O. Box No.

Reno, NV 89520-3013
City, State, Zip Code No.
(775) 834-8021

2009 FEB 11 P1:55

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

$150 FILING FEE MUST ACCOMPANY APPLICATION

EXHIBIT "A"

The following describes the multiple points of diversion for Truckee Meadows Water Authority Water Treatment Plants, which are shown on the map accompanying Application No. 73783 on file with the State of Nevada, Division of Water Resources, more particularly described as follows:

STEAMBOAT CANAL (HUNTER CREEK RESERVOIR):

The existing point of diversion is situate within the Northeast one-quarter of the Southwest one-quarter (NE¼ SW¼) of Section 31, T.19N., R.18E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Southeast corner of said Section 31 bears South 62° 04' East, a distance of 3,195.00 feet.

HIGHLAND DITCH (HIGHLAND RESERVOIR):

The existing point of diversion is situate within the Southwest one-quarter of the Southeast one-quarter (SW¼ SE¼) of Section 9, T.19N., R.18E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Southeast corner of said Section 9 bears South 75° 16' East, a distance of 1,650.00 feet.

IDLEWILD TREATMENT PLANT:

The existing point of diversion is situate within the Southeast one-quarter of the Southeast one-quarter (SE¼ SE¼) of Section 10, T.19N., R.19E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Southeast corner of said Section 10 bears South 69° 57' 58" East, a distance of 842.34 feet.

NORTH TRUCKEE DITCH (GLENDALE TREATMENT PLANT):

The existing point of diversion is situate within the Southwest one-quarter of the Northeast one-quarter (SW¼ NE¼) of Section 7, T.19N., R.20E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Northeast corner of said Section 7 bears North 39° 28' East, a distance of 3,015.00 feet.

ORR DITCH PUMP STATION (CHALK BLUFF TREATMENT PLANT):

The point of diversion is situate within the Northeast one-quarter of the Southeast one-quarter (NE¼ SE¼) of Section 17, T.19N., R.19E., M.D.B.&M., Washoe County, Nevada, from said point of diversion the Northeast corner of said Section 17 bears North 15° 39' 36" East, a distance of 3,264.77 feet.

ORR DITCH (CHALK BLUFF TREATMENT PLANT):

The point of diversion is situate within the Northeast one-quarter of the Southwest one-quarter (NE¼ SW¼) of Section 17, T.19N., R.19E., M.D.B.&M., Washoe County, Nevada, from said point of diversion the Southwest corner of said Section 17 bears South 44° 40' West, a distance of 3,211.00 feet.

EXHIBIT "B"

The Proposed Points of Diversion (Dam) are shown on the map filed with Application No. 73783 and Capacity (AF) for each Storage Reservoir is as follows:

Lake Tahoe:

Situate in the NE ¼ of the NW ¼ of Section 7, T. 15N., R. 17E., M.D.M., or from the Dam the Southwest corner of said Section 7 bears South 29° 09' 30" West a distance of 5,182 feet, more or less. The capacity of Lake Tahoe is approximately 744,600 AF.

Donner Lake:

Situate in the SE ¼ of the NE ¼ of Section 18, T. 17N., R. 16E., M.D.M., or from the Dam the Southeast corner of said Section 18 bears South 04° 07' 14" East a distance of 2,981 feet, more or less. The capacity of Donner Lake is approximately 9,500 AF.

Prosser Creek Dam (Reservoir):

Situate in the NW ¼ of the SW ¼ of Section 30, T. 18N., R. 17E., M.D.M., or from the Dam the southwest corner of said Section 30 bears South 22° 58' 48" West a distance of 2,006 feet, more or less. The capacity of Prosser Creek Reservoir is approximately 29,840 AF.

Boca Dam (Reservoir):

Situate in the SE ¼ of the SW ¼ of Section 21, T. 18N., R. 17E., M.D.M., or from the Dam the southwest corner of said Section 21 bears South 81° 05' 07" West a distance of 2,647 feet, more or less. The capacity of Boca Reservoir is approximately 40,870 AF.

Stampede Dam (Reservoir):

Situate in the NW ¼ of the NW ¼ of Section 28, T. 19N., R. 17E., M.D.M., or from the Dam the northwest corner of said Section 28 bears North 36° 08' 27" West a distance of 636 feet, more or less. The capacity of Stampede Reservoir is approximately 226,500 AF.

Independence Lake Dam:

Situate in the NW ¼ of the SW ¼ of Section 35, T. 19N., R. 15E., M.D.M., or from the Dam the Southwest corner of said Section 35 bears South 20° 06' 47" West a distance of 1,945 feet, more or less. The capacity of Independence Lake is approximately 17,500 AF.

EXHIBIT 'C'

The following describes the multiple points of diversion for Sierra Pacific Power Company Water Treatment Plants, which are shown on the maps accompanying Application Nos. 49886 and 49887 on file with the State of Nevada, Division of Water Resources, more particularly described as follows:

STEAMBOAT CANAL (HUNTER CREEK RESERVOIR):

The existing point of diversion is situate within the Northeast one-quarter of the Southwest one-quarter (NE¼SW¼) of Section 31, T.19N., R.18E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Southeast corner of said Section 31 bears South 62°04' East, a distance of 3,195.00 feet.

HIGHLAND DITCH (HIGHLAND RESERVOIR):

The existing point of diversion is situate within the Southwest one-quarter of the Southeast one-quarter (SW¼SE¼) of Section 9, T.19N., R.18E., M.D.B.&M., Washoe County, Nevada, from said point of diversion, the Southeast corner of said Section 9 bears South 75°16' East, a distance of 1,650.00 feet.

IDLEWILD TREATMENT PLANT:

The existing point of diversion is situate within the Southeast one-quarter of the Southeast one-quarter (SE¼SE¼) of Section 10, T.19N., R.19E., M.D.B.&M., Washoe County, Nevada from said point of diversion, the Southeast corner of said Section 10 bears South 69°57'58" East, a distance of 842.34 feet.

NORTH TRUCKEE DITCH (GLENDALE TREATMENT PLANT):

The existing point of diversion is situate within the Southwest one-quarter of the Northeast one-quarter (SW¼NE¼) of Section 7, T.19N., R.20E., M.D.B.&M., Washoe County, Nevada from said point of diversion, the Northeast corner of said Section 7 bears North 39°28' East, a distance of 3,015.00 feet.

EXHIBIT "D"

15. Remarks:

This application is filed pursuant to the provisions of N.R.S. §533.515 in that it seeks to add the reservoirs described in Exhibit B and as listed in Item 11 above as additional points of diversion for the consumptive use component of the water rights described herein, which consumptive use component is at least 2.5 acre feet per acre per year, and which water rights have points of diversion in the State of Nevada. This application is also filed as part of the implementation of the operating agreement described in Section 205(a) of Public Law 101-618. Because of the provisions of California Water Code section 1231 and 1232, California will recognize any permits issued by the Nevada State Engineer based upon this application. Therefore, it is within the jurisdiction of the Nevada State Engineer to approve this application allowing for storage of the consumptive use component of these Nevada water rights in California.

Water diverted to storage under a permit issued hereunder will be and is the subject of applications for secondary permits for beneficial uses allowed by the Truckee River Operating Agreement at the places allowed by that Agreement. The amount of water diverted to storage under a permit issued hereunder in any one year will not be less than the consumptive use component of at least 2.5 acre feet per acre. The amount of water under a permit issued hereunder which may be in storage at any one time and which may be released and used from storage in any one year will not exceed the amounts allowed by the Truckee River Operating Agreement.

If the consumptive use component of a water right described herein is not diverted to storage, the full duty of the water right will continue to be diverted at its allowed points of diversion for its manner of use. If the consumptive use component of a water right described herein is diverted to storage, the non-consumptive use component of the water right remains in the Truckee River.

Any permit issued under this application shall enter into effect simultaneously with the entry into effect of the Truckee River Operating Agreement.