Permit No. 54999

THE STATE OF NEVADA

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

Name of applicant:	**BAILEY & MCGAH**
Source:	**TRUCKEE RIVER**
Basin:	**TRUCKEE CANYON SEGMENT**
Manner of Use:	**MUNICIPAL**
Period of Use:	**As Decreed**
Priority Date:	**01/29/1865**

****

APPROVAL OF STATE ENGINEER

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

This permit, to change the point of diversion, place and manner of use of a portion of the waters of the Truckee River as heretofore granted under Claims 574/575, 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 placed to beneficial use must be kept.

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 is as described under items 5 and 7 respectively on the submitted application to support this permit.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed **2.6670** cubic feet per second, **but not to exceed 426.60 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:	**August 14, 2008**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	**August 14, 2012**
Map in support of proof of beneficial use shall be filed on or before:	**N/A**

IN TESTIMONY WHEREOF, I, TRACY TAYLOR, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 14th day of **August**, A.D. **2007**

Tracy Taylor, P.E.
State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____ N/A _____

Certificate No. _____ Issued _____

dl

Serial No. 54999

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

Date of filing in State Engineer's Office JUN 26 1990

Returned to applicant for correction

Corrected application filed Map filed JUN 26 1990

The applicant Bailey & McGah, a Nevada general partnership

1641 Glen Oaks Drive (Street and No. or P.O. Box No.) of Reno (City or Town)

Nevada (89523) (State and Zip Code No.) hereby make.... application for permission to change the

Point of Diversion, Manner of Use and Place of Use (Point of diversion, manner of use, and/or place of use)

of water heretofore appropriated under a portion of Claim No. 574 of the Orr Ditch Decree, (Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

said Decree entered by the District Court of the United States for Nevada in that

certain action entitled The United States of America, Plaintiff, vs Orr Water

Ditch Company, et al, Defendants, in Equity Docket A-3.

1. The source of water is Truckee River (North Truckee Ditch) (Name of stream, lake, underground spring or other source.)
2. The amount of water to be changed As Decreed, not to exceed 428.0 acre feet (Second feet, acre feet. One second foot equals 448.83 gallons per minute.)
3. The water to be used for Municipal and Domestic (Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.)
4. The water heretofore permitted for Irrigation and Stockwater (Irrigation, power, mining, industrial, etc. If for stock state number and kind of animals.)
5. The water is to be diverted at the following point The Points of Diversion for Sierra's (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.)

   existing Water Treatment Plants as described in attached Exhibit "A" and shown

   on the map supporting this application.
6. The existing permitted point of diversion is located within SW¼ NE¼ Section 7, T19N, R20E, MDM or (If point of diversion is not changed, do not answer.)

   at a point from which the Northeast corner of said Section 7 bears, N 39° 28'

   E a distance of 3015.0 feet.
7. Proposed place of use the certificated water service area of Sierra Pacific Power (Describe by legal subdivisions. If for irrigation state number of acres to be irrigated.)

   Company as described in the legal description and shown on the supporting map

   on file with the State Engineer's Office, Division of Water Resources.
8. Existing place of use SE¼ NW¼ and portions of NE¼ NW¼, SW¼ NW¼, NW¼ NW¼ Section 2, (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.)

   T19N, R20E, MDM (107 acres)
9. Use will be from As Decreed (Month and Day) to (Month and Day) of each year.
10. Use was permitted from As Decreed (Month and Day) to (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.) water will be diverted at existing company (State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes, or drilled well, etc.)

    facilities, treated and placed into the existing distribution system.
12. Estimated cost of works Sierra has invested in excess of $50 million in its Water Treatment Transmission and Distribution System
13. Estimated time required to construct works Completed

14. Estimated time required to complete the application of water to beneficial use Five Years

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

By s/Richard W. Arden, Agent
950 Industrial Way
Sparks, NV (89431)

Compared bc/ se

Protested 10/18/90 by: Truckee Carson Irrigation District W/D 4/24/07

OF STATE ENGINEER

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

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed ..... cubic feet per second .....

Work must be prosecuted with reasonable diligence and be completed on or before .....

Proof of completion of work shall be filed before .....

Application of water to beneficial use shall be made on or before .....

Proof of the application of water to beneficial use shall be filed on or before .....

Map in support of proof of beneficial use shall be filed on or before .....

Completion of work filed .....

Proof of beneficial use filed .....

Cultural map filed .....

Certificate No. ..... Issued .....

IN TESTIMONY WHEREOF, I, ...,
State Engineer of Nevada, have hereunto set my hand and the seal of my office, this ..... day of .....,
A.D. 19.....

State Engineer

EXHIBIT "A"

The following descriptions describe the points of diversion for Sierra Pacific Power Company Water Treatment Plants situate in the County of Washoe, State of Nevada, more particularly described as follows:

STEAMBOAT CANAL (HUNTER CREEK RESERVOIR):

The existing point of diversion 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 3195.0 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 1650.0 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.19.E., M.D.B&M., Washoe County, Nevada from said point of diversion, the Southeast corner of said Section ~~10~~ 11 bears South 69° 57' 58" East, a distance of 842.34 feet. HJ 3-10-90

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 Diverison, the Northeast corner of said Seciton 7 bears North 39° 28' East, a distance of 3015.0 feet.