
NEVADA POWER COMPANY
(FORMERLY SOUTHERN NEVADA POWER CO.)

TO

FIRST INTERSTATE BANK OF NEVADA, N.A.
(Formerly First National Bank of Nevada, Reno, Nevada.)
as Trustee

Sixteenth Supplemental Indenture

Dated as of December 1, 1981

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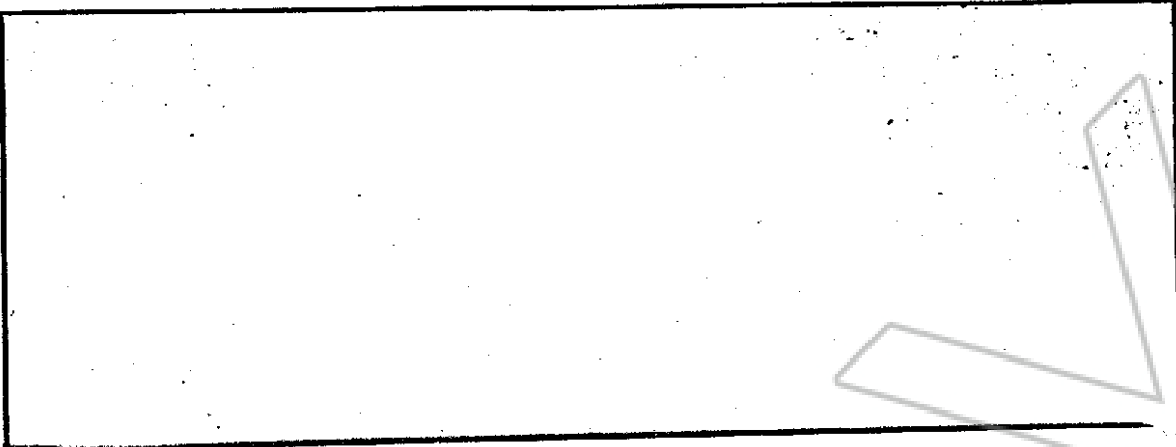
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THIS SIXTEENTH SUPPLEMENTAL INDENTURE dated as of December 1, 1981 made by and between NEVADA POWER COMPANY (formerly SOUTHERN NEVADA POWER Co.), a corporation duly organized and existing under the laws of the State of Nevada (the "Company"), having its principal place of business at Las Vegas, Nevada, party of the first part, and FIRST INTERSTATE BANK OF NEVADA, N.A. (formerly FIRST NATIONAL BANK OF NEVADA, RENO, NEVADA), a banking institution duly organized and existing under and by virtue of the banking laws of the United States of America, having its principal place of business at No. 1 East First Street, Reno, Nevada (hereinafter sometimes called the "Trustee"), party of the second part;

WHEREAS, the Company has heretofore executed and delivered to the Trustee its Indenture of Mortgage and Deed of Trust ("Original Indenture") dated October 1, 1953 to secure the payment of the principal of and interest and premium, if any, on all bonds of the Company at any time outstanding thereunder; and, for the purpose of amending and supplementing and further confirming the lien of the Original Indenture, has heretofore executed and delivered a First Supplemental Indenture ("First Supplemental Indenture") dated August 1, 1954, an Instrument of Further Assurance ("Instrument of Further Assurance") dated as of April 1, 1956, a Second Supplemental Indenture ("Second Supplemental Indenture") dated September 1, 1956, a Third Supplemental Indenture ("Third Supplemental Indenture") dated as of May 1, 1959, a Fourth Supplemental Indenture ("Fourth Supplemental Indenture") dated as of October 1, 1960, a Fifth Supplemental Indenture ("Fifth Supplemental Indenture") dated as of December 1, 1961, a Sixth Supplemental Indenture ("Sixth Supplemental Indenture") dated as of October 1, 1963, a Seventh Supplemental Indenture ("Seventh Supplemental Indenture") dated as of August 1, 1964, an Eighth Supplemental Indenture ("Eighth Supplemental Indenture") dated as of April 1, 1968, a Ninth Supplemental Indenture ("Ninth Supplemental Indenture") dated as of October 1, 1969, a Tenth Supplemental Indenture ("Tenth Supplemental Indenture") dated as of October 1, 1970, an Eleventh Supplemental Indenture ("Eleventh Supplemental Indenture") dated as of November 1, 1972, a Twelfth Supplemental Indenture ("Twelfth Supplemental Indenture") dated as of December 1, 1974, a Thirteenth Supplemental Indenture ("Thirteenth Supplemental Indenture") dated as of October 1, 1976, a Fourteenth Supplemental Indenture ("Fourteenth Supplemental Indenture") dated as of May 1, 1977 and a Fifteenth Supplemental Indenture ("Fifteenth Supplemental Indenture") dated as of December 1, 1978; the Original Indenture, as amended and supplemented by the First Supplemental Indenture, Instrument of Further Assurance, Second Supplemental Indenture, Third Supplemental Indenture, Fourth Supplemental Indenture, Fifth Supplemental Indenture, Sixth Supplemental Indenture, Seventh Supplemental Indenture, Eighth Supplemental Indenture, Ninth

Supplemental Indenture, Tenth Supplemental Indenture, Eleventh Supplemental Indenture, Twelfth Supplemental Indenture, Thirteenth Supplemental Indenture, Fourteenth Supplemental Indenture, Fifteenth Supplemental Indenture and as to be supplemented by this Sixteenth Supplemental Indenture and as it may from time to time be amended or supplemented pursuant to the provisions thereof, is hereinafter sometimes called the "Indenture";

WHEREAS, the Original Indenture, First Supplemental Indenture, Instrument of Further Assurance, Second Supplemental Indenture, Third Supplemental Indenture, Fourth Supplemental Indenture, Fifth Supplemental Indenture, Sixth Supplemental Indenture, Seventh Supplemental Indenture, Eighth Supplemental Indenture, Ninth Supplemental Indenture, Tenth Supplemental Indenture, Eleventh Supplemental Indenture, Twelfth Supplemental Indenture, Thirteenth Supplemental Indenture, Fourteenth Supplemental Indenture and Fifteenth Supplemental Indenture were recorded in Offices of the County Recorders of the States of Nevada, Arizona and Utah as follows:

NEVADA

CLARK COUNTY

| | <u>Recorded</u> | <u>Doc. No.</u> | <u>Records</u> |
|---|-----------------|-----------------|------------------|
| Original Indenture | Nov. 6, 1953 | 417,677 | Trust Deeds |
| First Supplemental Indenture | Sept. 23, 1954 | 20,904 | Official Records |
| Instrument of Further Assurance | Apr. 19, 1956 | 75,779 | Official Records |
| Second Supplemental Indenture | Sept. 19, 1956 | 89,423 | Official Records |
| Third Supplemental Indenture | May 15, 1959 | 160,878 | Official Records |
| Fourth Supplemental Indenture | Oct. 28, 1960 | 215,907 | Official Records |
| Fifth Supplemental Indenture | Dec. 4, 1961 | 267,362 | Official Records |
| Sixth Supplemental Indenture | Oct. 18, 1963 | 391,466 | Official Records |
| Seventh Supplemental Indenture | Aug. 7, 1964 | 451,010 | Official Records |
| Eighth Supplemental Indenture | May 10, 1968 | 700,126 | Official Records |
| Ninth Supplemental Indenture | Oct. 16, 1969 | 791,246 | Official Records |
| Tenth Supplemental Indenture | Oct. 2, 1970 | 53,871 | Official Records |
| Eleventh Supplemental Indenture | Oct. 27, 1972 | 233,640 | Official Records |
| Twelfth Supplemental Indenture | Dec. 6, 1974 | 438,245 | Official Records |
| Thirteenth Supplemental Indenture | Oct. 19, 1976 | 629,589 | Official Records |
| Fourteenth Supplemental Indenture | May 4, 1977 | 693,961 | Official Records |
| Fifteenth Supplemental Indenture | Sept. 5, 1978 | 898,343 | Official Records |

Lincoln County

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NYE COUNTY

| | <u>Recorded</u> | <u>Doc. No.</u> | <u>Records</u> |
|--------------------------------------|-----------------|-----------------|------------------|
| Original Indenture..... | Sept. 19, 1956 | 24,334 | Official Records |
| First Supplemental Indenture..... | Sept. 19, 1956 | 24,335 | Official Records |
| Instrument of Further Assurance..... | Sept. 19, 1956 | 24,336 | Official Records |
| Second Supplemental Indenture..... | Sept. 19, 1956 | 24,337 | Official Records |
| Third Supplemental Indenture..... | May 15, 1959 | 31,466 | Official Records |
| Fourth Supplemental Indenture..... | Oct. 28, 1960 | 37,060 | Official Records |
| Fifth Supplemental Indenture..... | Dec. 4, 1961 | 39,876 | Official Records |
| Sixth Supplemental Indenture..... | Oct. 18, 1963 | 46,249 | Official Records |
| Seventh Supplemental Indenture..... | Aug. 7, 1964 | 48,660 | Official Records |
| Eighth Supplemental Indenture..... | May 10, 1968 | 05,910 | Official Records |
| Ninth Supplemental Indenture..... | Oct. 17, 1969 | 15,192 | Official Records |
| Tenth Supplemental Indenture..... | Oct. 5, 1970 | 20,294 | Official Records |
| Eleventh Supplemental Indenture.... | Oct. 30, 1972 | 35,264 | Official Records |
| Twelfth Supplemental Indenture..... | Dec. 9, 1974 | 45,632 | Official Records |
| Thirteenth Supplemental Indenture | Oct. 19, 1976 | 58,802 | Official Records |
| Fourteenth Supplemental Indenture | May 4, 1977 | 58,169 | Official Records |
| Fifteenth Supplemental Indenture.... | Sept. 5, 1978 | 70,767 | Official Records |

LINCOLN COUNTY

| | <u>Recorded</u> | <u>Doc. No.</u> | <u>Records</u> |
|--------------------------------------|-----------------|-----------------|------------------|
| Original Indenture..... | Sept. 1, 1972 | 52,162 | Official Records |
| First Supplemental Indenture..... | Sept. 1, 1972 | 52,163 | Official Records |
| Instrument of Further Assurance..... | Sept. 1, 1972 | 52,164 | Official Records |
| Second Supplemental Indenture..... | Sept. 1, 1972 | 52,165 | Official Records |
| Third Supplemental Indenture..... | Sept. 1, 1972 | 52,166 | Official Records |
| Fourth Supplemental Indenture..... | Sept. 1, 1972 | 52,167 | Official Records |
| Fifth Supplemental Indenture..... | Sept. 1, 1972 | 52,168 | Official Records |
| Sixth Supplemental Indenture..... | Sept. 1, 1972 | 52,169 | Official Records |
| Seventh Supplemental Indenture..... | Sept. 1, 1972 | 52,170 | Official Records |
| Eighth Supplemental Indenture..... | Sept. 1, 1972 | 52,171 | Official Records |
| Ninth Supplemental Indenture..... | Sept. 1, 1972 | 52,172 | Official Records |
| Tenth Supplemental Indenture..... | Sept. 1, 1972 | 52,173 | Official Records |
| Eleventh Supplemental Indenture.... | Oct. 30, 1972 | 52,390 | Official Records |
| Twelfth Supplemental Indenture..... | Dec. 6, 1974 | 55,557 | Official Records |
| Thirteenth Supplemental Indenture | Oct. 19, 1976 | 58,659 | Official Records |
| Fourteenth Supplemental Indenture | May 4, 1977 | 59,627 | Official Records |
| Fifteenth Supplemental Indenture.... | Sept. 5, 1978 | 62,731 | Official Records |

Lincoln County

ARIZONA

NAVAJO COUNTY

| | Recorded | Dec. No. | Page | Records |
|---------------------------------------|---------------|----------|------|------------------|
| Original Indenture..... | Oct. 5, 1970 | 330 | 196 | Official Records |
| First Supplemental Indenture..... | Oct. 5, 1970 | 330 | 301 | Official Records |
| Instrument of Further Assurance..... | Oct. 5, 1970 | 330 | 340 | Official Records |
| Second Supplemental Indenture..... | Oct. 5, 1970 | 330 | 351 | Official Records |
| Third Supplemental Indenture..... | Oct. 5, 1970 | 330 | 422 | Official Records |
| Fourth Supplemental Indenture..... | Oct. 5, 1970 | 330 | 464 | Official Records |
| Fifth Supplemental Indenture..... | Oct. 5, 1970 | 330 | 496 | Official Records |
| Sixth Supplemental Indenture..... | Oct. 5, 1970 | 330 | 530 | Official Records |
| Seventh Supplemental Indenture..... | Oct. 5, 1970 | 330 | 567 | Official Records |
| Eighth Supplemental Indenture..... | Oct. 5, 1970 | 330 | 604 | Official Records |
| Ninth Supplemental Indenture..... | Oct. 5, 1970 | 330 | 635 | Official Records |
| Tenth Supplemental Indenture..... | Oct. 5, 1970 | 330 | 80 | Official Records |
| Eleventh Supplemental Indenture..... | Oct. 30, 1972 | 376 | 364 | Official Records |
| Twelfth Supplemental Indenture..... | Dec. 9, 1974 | 426 | 148 | Official Records |
| Thirteenth Supplemental Indenture.. | Oct. 19, 1976 | 473 | 494 | Official Records |
| Fourteenth Supplemental Indenture.. | May 4, 1977 | 486 | 754 | Official Records |
| Fifteenth Supplemental Indenture..... | Sept. 5, 1978 | 531 | 167 | Official Records |

COCONINO COUNTY

| | Recorded | Dec. No. | Page | Records |
|---------------------------------------|---------------|----------|------|------------------|
| Original Indenture..... | Oct. 1, 1970 | 370 | 1 | Official Records |
| First Supplemental Indenture..... | Oct. 1, 1970 | 370 | 106 | Official Records |
| Instrument of Further Assurance..... | Oct. 1, 1970 | 370 | 145 | Official Records |
| Second Supplemental Indenture..... | Oct. 1, 1970 | 370 | 156 | Official Records |
| Third Supplemental Indenture..... | Oct. 1, 1970 | 370 | 227 | Official Records |
| Fourth Supplemental Indenture..... | Oct. 1, 1970 | 370 | 269 | Official Records |
| Fifth Supplemental Indenture..... | Oct. 1, 1970 | 370 | 300 | Official Records |
| Sixth Supplemental Indenture..... | Oct. 1, 1970 | 370 | 334 | Official Records |
| Seventh Supplemental Indenture..... | Oct. 1, 1970 | 370 | 371 | Official Records |
| Eighth Supplemental Indenture..... | Oct. 1, 1970 | 370 | 407 | Official Records |
| Ninth Supplemental Indenture..... | Oct. 1, 1970 | 370 | 437 | Official Records |
| Tenth Supplemental Indenture..... | Oct. 5, 1970 | 370 | 554 | Official Records |
| Eleventh Supplemental Indenture..... | Oct. 30, 1972 | 445 | 277 | Official Records |
| Twelfth Supplemental Indenture..... | Dec. 9, 1974 | 528 | 208 | Official Records |
| Thirteenth Supplemental Indenture.. | Oct. 19, 1976 | 606 | 235 | Official Records |
| Fourteenth Supplemental Indenture.. | May 4, 1977 | 628 | 563 | Official Records |
| Fifteenth Supplemental Indenture..... | Sept. 5, 1978 | 697 | 196 | Official Records |

Lincoln County

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MOHAVE COUNTY

| | <u>Recorded</u> | <u>Doc. No.</u> | <u>Page</u> | <u>Records</u> |
|---------------------------------------|-----------------|-----------------|-------------|------------------|
| Original Indenture..... | Aug. 28, 1972 | 50 | 255 | Official Records |
| First Supplemental Indenture..... | Aug. 28, 1972 | 50 | 361 | Official Records |
| Instrument of Further Assurance..... | Aug. 28, 1972 | 50 | 401 | Official Records |
| Second Supplemental Indenture..... | Aug. 28, 1972 | 50 | 412 | Official Records |
| Third Supplemental Indenture..... | Aug. 28, 1972 | 50 | 484 | Official Records |
| Fourth Supplemental Indenture..... | Aug. 28, 1972 | 50 | 527 | Official Records |
| Fifth Supplemental Indenture..... | Aug. 28, 1972 | 50 | 560 | Official Records |
| Sixth Supplemental Indenture..... | Aug. 28, 1972 | 50 | 595 | Official Records |
| Seventh Supplemental Indenture..... | Aug. 28, 1972 | 51 | 1 | Official Records |
| Eighth Supplemental Indenture..... | Aug. 28, 1972 | 51 | 38 | Official Records |
| Ninth Supplemental Indenture..... | Aug. 28, 1972 | 51 | 70 | Official Records |
| Tenth Supplemental Indenture..... | Aug. 28, 1972 | 51 | 96 | Official Records |
| Eleventh Supplemental Indenture..... | Oct. 30, 1972 | 67 | 334 | Official Records |
| Twelfth Supplemental Indenture..... | Dec. 9, 1974 | 250 | 460 | Official Records |
| Thirteenth Supplemental Indenture.. | Oct. 19, 1976 | 355 | 878 | Official Records |
| Fourteenth Supplemental Indenture.. | May 4, 1977 | 390 | 340 | Official Records |
| Fifteenth Supplemental Indenture..... | Sept. 5, 1978 | 489 | 425 | Official Records |

UTAH

KANE COUNTY

| | <u>Recorded</u> | <u>Doc. No.</u> | <u>Page</u> | <u>Records</u> |
|---------------------------------------|-----------------|-----------------|-------------|------------------|
| Original Indenture..... | Sept. 12, 1972 | 35 | 1 | Official Records |
| First Supplemental Indenture..... | Sept. 12, 1972 | 35 | 106 | Official Records |
| Instrument of Further Assurance..... | Sept. 12, 1972 | 35 | 145 | Official Records |
| Second Supplemental Indenture..... | Sept. 12, 1972 | 35 | 157 | Official Records |
| Third Supplemental Indenture..... | Sept. 12, 1972 | 35 | 228 | Official Records |
| Fourth Supplemental Indenture..... | Sept. 12, 1972 | 35 | 270 | Official Records |
| Fifth Supplemental Indenture..... | Sept. 12, 1972 | 35 | 301 | Official Records |
| Sixth Supplemental Indenture..... | Sept. 12, 1972 | 35 | 335 | Official Records |
| Seventh Supplemental Indenture..... | Sept. 12, 1972 | 35 | 372 | Official Records |
| Eighth Supplemental Indenture..... | Sept. 12, 1972 | 35 | 410 | Official Records |
| Ninth Supplemental Indenture..... | Sept. 12, 1972 | 35 | 441 | Official Records |
| Tenth Supplemental Indenture..... | Sept. 12, 1972 | 35 | 466 | Official Records |
| Eleventh Supplemental Indenture..... | Oct. 30, 1972 | 35 | 493 | Official Records |
| Twelfth Supplemental Indenture..... | Dec. 9, 1974 | 44 | 267 | Official Records |
| Thirteenth Supplemental Indenture.. | Oct. 19, 1976 | 53 | 209 | Official Records |
| Fourteenth Supplemental Indenture.. | May 4, 1977 | 30 | 690 | Official Records |
| Fifteenth Supplemental Indenture..... | Sept. 5, 1978 | 59 | 995 | Official Records |

Lincoln County

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WASHINGTON COUNTY

| | <u>Recorded</u> | <u>Doc. No.</u> | <u>Page</u> | <u>Records</u> |
|---------------------------------------|-----------------|-----------------|-------------|------------------|
| Original Indenture..... | Sept. 22, 1972 | 124 | 3 | Official Records |
| First Supplemental Indenture..... | Sept. 22, 1972 | 124 | 109 | Official Records |
| Instrument of Further Assurance..... | Sept. 22, 1972 | 124 | 149 | Official Records |
| Second Supplemental Indenture..... | Sept. 22, 1972 | 124 | 162 | Official Records |
| Third Supplemental Indenture..... | Sept. 22, 1972 | 124 | 234 | Official Records |
| Fourth Supplemental Indenture..... | Sept. 22, 1972 | 124 | 277 | Official Records |
| Fifth Supplemental Indenture..... | Sept. 22, 1972 | 124 | 310 | Official Records |
| Sixth Supplemental Indenture..... | Sept. 22, 1972 | 124 | 345 | Official Records |
| Seventh Supplemental Indenture..... | Sept. 22, 1972 | 124 | 383 | Official Records |
| Eighth Supplemental Indenture..... | Sept. 22, 1972 | 124 | 420 | Official Records |
| Ninth Supplemental Indenture..... | Sept. 22, 1972 | 124 | 452 | Official Records |
| Tenth Supplemental Indenture..... | Sept. 22, 1972 | 124 | 478 | Official Records |
| Eleventh Supplemental Indenture..... | Oct. 30, 1972 | 127 | 107 | Official Records |
| Twelfth Supplemental Indenture..... | Dec. 9, 1974 | 163 | 77 | Official Records |
| Thirteenth Supplemental Indenture.. | Oct. 19, 1976 | 204 | 222 | Official Records |
| Fourteenth Supplemental Indenture.. | May 4, 1977 | 183 | 004 | Official Records |
| Fifteenth Supplemental Indenture..... | Sept. 5, 1978 | 239 | 946 | Official Records |

WHEREAS, in addition to a series of Bonds heretofore issued under the Indenture, all of which have been retired, there have heretofore been issued under the Indenture \$1,800,000 principal amount of First Mortgage Bonds, 4¾% Series Due 1983 of which \$576,000 principal amount is now outstanding; \$7,400,000 principal amount of First Mortgage Bonds, 4¼% Series B Due 1984 of which \$4,475,000 principal amount is now outstanding; \$5,500,000 principal amount of First Mortgage Bonds, Series D Due 1989 of which \$5,500,000 principal amount is now outstanding; \$5,000,000 principal amount of First Mortgage Bonds, 5% Series E Due 1990 of which \$5,000,000 principal amount is now outstanding; \$2,000,000 principal amount of First Mortgage Bonds, 5% Series F Due 1991 of which \$2,000,000 is now outstanding; \$11,000,000 principal amount of First Mortgage Bonds, 4½% Series G Due 1993 of which \$11,000,000 is now outstanding; \$10,000,000 principal amount of First Mortgage Bonds, 4½% Series H Due 1994 of which \$10,000,000 is now outstanding; \$15,000,000 principal amount of First Mortgage Bonds, 7½% Series I Due 1996 of which \$15,000,000 is now outstanding; \$10,000,000 principal amount of First Mortgage Bonds, 9% Series J Due 1999 of which \$10,000,000 is now outstanding; \$10,000,000 principal amount of First Mortgage Bonds, 9¾% Series K Due 2000 of which \$10,000,000 is now outstanding; \$15,000,000 principal amount of First Mortgage Bonds, 7½% Series L Due 2002 of which \$15,000,000 is now outstanding; \$20,000,000 principal amount of First Mortgage Bonds, 10¾% Series M Due

1984 of which \$20,000,000 is now outstanding; \$13,000,000 principal amount of First Mortgage Bonds, 7 $\frac{1}{8}$ % Series N Due 2006 of which \$13,000,000 is now outstanding; \$9,500,000 principal amount of First Mortgage Bonds, 6 $\frac{3}{4}$ % Series O Due 2007 of which \$9,500,000 is now outstanding and \$730,000 principal amount of First Mortgage Bonds, 8 $\frac{3}{4}$ % Series P Due 1995 of which \$686,200 is now outstanding.

WHEREAS, the Company in the exercise of the power and authority conferred upon and reserved to it under the provisions of the Indenture, and pursuant to a resolution duly adopted by its Board of Directors, has resolved and determined to create and issue a new series of Bonds to be designated "First Mortgage Bonds, 16 $\frac{1}{8}$ % Series Q Due 1991" (hereinafter sometimes referred to as "Bonds of Series Q") and to make, execute and deliver to the Trustee this Sixteenth Supplemental Indenture, in the form hereof, as a further supplement to the Indenture; and

WHEREAS, all conditions and requirements necessary to make this Sixteenth Supplement Indenture a valid, binding and legal instrument have been done, performed and fulfilled, and the execution and delivery hereof have been in all respects duly authorized;

Now, THEREFORE, in consideration of the premises and of the sum of one dollar (\$1), lawful money of the United States of America, duly paid by the Trustee to the Company, and of other good and valuable consideration, receipt whereof is hereby acknowledged, and for the purpose of securing the due and punctual payment of the principal of and interest on all Bonds issued and outstanding from time to time under the Indenture, including specifically, but without limitation, Bonds of Series Q to be issued pursuant to this Sixteenth Supplemental Indenture, and to secure the performance and observance of each and every of the covenants and conditions contained in the Indenture, and without in any way limiting the generality or effect of the Indenture in so far as by any provision thereof any of the properties therein or hereinafter referred to are now subject or are now intended to be subject to the lien and operation thereof, but to such extent confirming such lien and operation, the Company has executed and delivered this Sixteenth Supplemental Indenture and has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over and confirm, unto First Interstate Bank of Nevada, N.A., as Trustee aforesaid, and to its successors in the trust hereby created, in trust upon the conditions, terms and provisions of the Indenture, subject to the encumbrances and other matters permitted by the Indenture, all and singular the following premises, properties, interests and rights, all to the same

extent and with the same force and effect as though owned by the Company at the date of execution of the Original Indenture and described in the same detail in the Granting Clauses of the Original Indenture, such premises, properties, interests and rights having been generally described and referred to in the Original Indenture; and to such ends the Company hereby supplements, as below set forth, the Granting Clauses of the Original Indenture:

GRANTING CLAUSES

FIRST: All those certain parcels of land, leasehold estates and interests in land, situate in the County of Clark, State of Nevada, and described as follows:

(1) The Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4); the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4); the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4); and the South Half (S 1/2) of the Southeast Quarter (SE 1/4) of Section 14, Township 14 South, Range 65 East, M.D.M. Together with the certain water rights represented by Nevada State Engineer's Office Application No. 29297 and 29298.

Excepting therefrom the interest in that portion thereof conveyed to the State of Nevada by Deed recorded April 2, 1935 as Document No. 56127, for highway purposes and incidents thereto, described as follows:

A parcel of land 100 feet wide, 50 feet on each side of the center line of the State Highway described as follows: Beginning at the intersection of the center line of the State Highway at approximately Engineer's Station "A" 370-76.04 P.O.T. and the East boundary of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section 14, Township 14 South, Range 65 East, M.D.M., said Point of Beginning further described as bearing North 116.14 feet from the Southeast corner of said Section 14; thence North 67° 47' West a distance of 2773.74 feet to the Point of Ending at the intersection of the center line of the State Highway at approximately Engineer's Station "A" 398-49-78 P.O.T. and the North boundary of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of said Section 14, said Point of Ending further described as bearing north 62° 39' West 2825.17 feet from the Southeast corner of said Section 14. Also excepting therefrom that portion thereof conveyed to Garth Reed Dixon by deed recorded June 26, 1972 as Document No. 201243, Official Records.

Also excepting therefrom all roads.

(2) The following described property:

Parcel 1. The Northeast Quarter (NE 1/4) of Section 8, Township 14 South, Range 65 East M.D.B.&M.

Parcel 2. The North One half (N 1/2) and Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section 8, township 14 South, Range 65 East, M.D.B.&M.

Parcel 3. The Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section 8, Township 14 South, Range 65 East, M.D.B.&M.

Together with the certain water rights, represented by Nevada State Engineer's Office Application No. 25310, 22632, 22633, 22635, 22636, 22949, 22950, 22951, 22952, 24185, and 24186.

(3) A portion of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section 12, Township 21 South, Range 61 East, M.D.B.&M., described as follows:

COMMENCING at the southeast corner of said Southeast Quarter (SE 1/4); THENCE North 0° 06' 28" East, a distance of 50.00 feet to a point (said point being on the North line of Desert Inn Road);

THENCE North 89° 24' 33" West along said North line, a distance of 261.61 feet to a point, said point being the POINT OF BEGINNING;

THENCE continuing North 89° 24' 33" West, a distance of 150.00 feet to a point;

THENCE North 0° 06' 28" East and parallel to the East line of the Southeast Quarter (SE 1/4) of said Section 12, a distance of 200.00 feet to a point;

THENCE South 89° 24' 33" East, a distance of 150.00 feet to a point;

THENCE South 0° 06' 28" West, a distance of 200.00 feet to the POINT OF BEGINNING.

(4) That portion of the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section 7, Township 21 South, Range 62 East, M.D.B.&M. described as follows:

COMMENCING at the northeast corner of said Section 7; thence South 89° 06' 00" West along the North line thereof a distance of 200.03 feet to a point; thence South 1° 55' 04" East a distance of 50.00 feet to the TRUE POINT OF BEGINNING; thence continuing South 1° 55' 04" East a distance of 330.05 feet to a point on the North line of the Clark County Flood Control Channel right of way; thence South 89° 06' 00" West along said North line a distance of 205.86 feet to a point; thence North 0° 54' 00" West a distance of 330.00 feet to a point; thence

North 89° 06' 00" East along the South line of Sahara Avenue a distance of 200.00 feet to the TRUE POINT OF BEGINNING.

(5) That portion of the Northwest Quarter (NW $\frac{1}{4}$) of Section 5, Township 22 South, Range 62 East, M.D.B.&M., County of Clark, State of Nevada, being more particularly described as follows:

COMMENCING at the Northwest (NW) corner of said Section 5; thence South 00° 21' 23" West, along the West line of said Section 5, said West line also being the center line of Green Valley Parkway (100.00 feet wide), 604.15 feet; thence South 89° 38' 37" East, 130.00 feet to the POINT OF BEGINNING; thence continuing South 89° 38' 37" East 250.00 feet; thence South 00° 21' 23" West 200.00 feet to a point hereinafter designated as Point "A"; thence North 89° 38' 37" West, 250.00 feet; thence North 00° 21' 23" East, 200.00 feet to the POINT OF BEGINNING. Basis of bearing (South 00° 21' 23" West) being the West line of the Northwest Quarter (NW $\frac{1}{4}$) of said Section 5 as designated on Record of Survey recorded August 13, 1973 as Instrument No. 313437 in Official Records Book No. 354, Clark County, Nevada Records.

(6) A portion of the South Half of the Southwest Quarter of Section 5, Township 15 South, Range 66 East, M.D.M., more specifically described as follows:

COMMENCING at the Southwest corner of said Section 5; thence North 00° 05' 58" West along the West line of said Section 960.06 feet to the Northwest corner of that certain parcel of land conveyed by Kenneth M. Searles to Nevada Power Company, a Nevada corporation by deed recorded January 29, 1965, in Book 602 as Document No. 434672 of Official Records, Clark County, Nevada, said point being the POINT OF BEGINNING; thence continuing North 00° 05' 58" West, 320.00 feet to the theoretical center line of the Muddy River; thence along said theoretical center line the following eight (8) courses:

- (1) South 81° 01' 51" East, 402.31 feet
- (2) South 46° 35' 06" East, 191.53 feet
- (3) South 25° 22' 50" East, 189.90 feet
- (4) South 51° 53' 30" East, 215.66 feet
- (5) South 56° 18' 19" East, 139.82 feet
- (6) South 37° 35' 09" East, 262.71 feet
- (7) South 44° 32' 38" East, 212.39 feet
- (8) South 65° 33' 14" East, 31.76 feet

to the point of intersection of said theoretical center line with the West line of Parcel "A", File 27, page 37 of Parcel Maps, recorded July 30, 1979, in Book 1093 as Document No. 1052959 of Official Records, Clark County, Nevada; thence South 01° 28' 10" West along the Southerly

prolongation of said West Line, 312.91 feet to the South line of said Section 5; thence North 89° 33' 36" West along said South line, 665.46 feet to the Northeasterly line of the aforescribed land conveyed by Kenneth M. Searles to Nevada Power Company; thence North 32° 17' 26" West along said Northeasterly line, 1,141.22 feet to the POINT OF BEGINNING.

(7) That portion of the South Half (S $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of Section 13, Township 22 South, Range 62 East, M.D.M., Clark County, Nevada, described as follows:

COMMENCING at the Northwest corner of said Section 13; as delineated on that certain Recorded Survey Plat performed by Jerry E. Barnson at the instance of VICTOR VINCENT, in File 36 of Survey Plats, Page 43, Official Records, Clark County, Nevada; recorded September 2, 1980, as Document No. 1234796, Clark County, Nevada records. Thence South 38° 31' 42" East, 2,769.97 feet; thence North 81° 08' 23" East, 415.00 feet to the TRUE POINT OF BEGINNING; thence continuing North 81° 08' 23" East 305.00 feet; thence South 08° 51' 37" East, 382.00 feet; thence South 81° 08' 23" West 525.00 feet; thence North 08° 51' 37" West 182.00 feet; thence North 81° 08' 23" East 220.00 feet; thence North 08° 51' 37" West 200.00 feet to the TRUE POINT OF BEGINNING.

(8) Government Lot Fifteen (15), being a portion of the North Half (N $\frac{1}{2}$) of the Northeast Quarter (NE $\frac{1}{4}$) of Section 35, Township 21 South, Range 61 East, M.D.M. according to the Official Plat of said land on file in the Office of the Bureau of Land Management.

EXCEPTING AND RESERVING also to the United States all oil, gas and other mineral deposits in the land, together with the right to prospect for, mine and remove the same according to the provisions of the Act of June 1, 1938, as reserved in the patent recorded November 6, 1978 in Book 965, of Official Records, Clark County, Nevada records, as Document No. 924931.

(9) Government Lot Ten (10) in the Northwest Quarter (NW $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$) of Section 35, Township 21 South, Range 61 East, M.D.B.&M., Clark County, Nevada.

EXCEPTING THEREFROM the Westerly 30.00 feet thereof as conveyed to the County of Clark for roads, utilities and other public purposes.

(10) Lot A, Book 25, page 11 of Plats, Spring Valley Unit No. 9, and recorded September 4, 1979 as No. 1071501 in Official Record Book No. 1112, Clark County, Nevada Recorder's Office.

SECOND: All of the premises, property, franchises and rights of every description, real, personal and mixed, tangible and intangible, now owned or hereafter acquired by the Company and wherever situated.

Together with all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders, tolls, rents, revenues, issues, income, products and profits thereof and all the estate, rights, title, interest and claim whatsoever at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

Excepting and excluding, however, any and all property, premises and rights of the kinds or classes which by the terms of the Indenture are excepted and excluded from the lien and operation thereof, and therein sometimes referred to as "Excepted Property" (subject, however, to the Trustee's rights to possession of Excepted Property in case of default, as set forth in the Indenture).

TO HAVE AND TO HOLD in trust with power of sale for the equal and proportionate benefit and security of all Bonds and the interest coupons appertaining thereto, now or hereafter issued under the Indenture, and for the enforcement and payment of Bonds and interest thereon when payable, and the performance of and compliance with the covenants and conditions of the Indenture, without any preference, distinction or priority as to lien or otherwise of any Bonds or coupons over any others thereof by reason of the difference in the time of the actual issue, sale or negotiation thereof, or by reason of the date of maturity thereof, or for any other reason whatsoever, except as otherwise expressly provided in the Indenture, so that each and every Bond shall have the same lien and so that the interest and principal of every Bond shall, subject to the terms thereof, be equally and proportionately secured by said lien, as if such Bond had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery of the Original Indenture.

The Trustee executes this Sixteenth Supplemental Indenture only on the condition that it shall have and enjoy with respect thereto all of the rights, powers, privileges and immunities as set forth in the Indenture.

The Company has agreed and covenanted and does hereby agree and covenant with the Trustee and its successors and assigns, and with the respective holders from time to time of the Bonds and coupons, or any thereof, as follows:

PART I

ARTICLE 1

DESCRIPTION OF BONDS OF SERIES Q DUE 1991

§ 1.01 The seventeenth series of Bonds to be executed, authenticated and delivered under and secured by the Indenture shall be the Bonds of Series Q. The Bonds of Series Q shall be designated as "First Mortgage Bonds, 16 $\frac{1}{8}$ % Series Q Due 1991" of the Company. The Bonds of Series Q shall be executed, authenticated and delivered in accordance with the provisions of, and shall in all respects be subject to, all of the terms, conditions and covenants of the Indenture.

All of the Bonds of Series Q shall be registered Bonds without coupons, shall be dated December 1, 1981, shall mature December 1, 1991 and shall bear interest at the rate of sixteen and one-eighth per cent (16 $\frac{1}{8}$ %) per annum, payable semi-annually on the first day of June and the first day of December in each year ("interest payment dates"). The principal of and premium, if any, and interest on all Bonds of Series Q shall be payable at the office of the Trustee in the City of Las Vegas, Nevada. Interest on any Bond which is payable on any interest payment date will be paid to the person in whose name such Bond is registered at the close of business on the fifteenth day (whether or not a business day) next preceding such interest payment date.

The Bonds of Series Q may be issued in the form of engraved bonds, or bonds printed or lithographed upon steel engraved borders, and may have such legends or endorsements printed, lithographed or engraved thereon as may, consistently with the Indenture, be approved by the Board of Directors.

§ 1.02 The Bonds of Series Q shall be issued in denominations of One Thousand Dollars (\$1,000) and any integral multiple of One Thousand Dollars (\$1,000) which may be executed by the Company and delivered to the Trustee for authentication and delivery.

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§ 1.03 The Bonds of Series Q and the Trustee's Certificate of Authentication shall be substantially in the following forms, respectively:

[FORM OF FACE OF BOND OF SERIES Q]

NEVADA POWER COMPANY

No. R

\$

FIRST MORTGAGE BOND, 16 1/8% SERIES Q DUE 1991

DUE DECEMBER 1, 1991

For value received, NEVADA POWER COMPANY, a corporation organized and existing under the laws of the State of Nevada (hereinafter called the "Company"), hereby promises to pay to or registered assigns, on December 1, 1991, the sum of Dollars, or so much thereof as shall not be noted by endorsement hereon as paid, in coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and to pay to the registered holder hereof interest thereon from the date hereof, at the rate of sixteen and one-eighth per cent (16 1/8%) per annum, in like coin or currency, payable semi-annually on the first day of June and the first day of December in each year ("interest payment dates") until the principal hereof shall have become due and payable, and thereafter, if default be made in the payment of such principal, at the same rate of interest per annum until the principal hereof shall be paid. The principal of and premium, if any, and interest on this Bond are payable at the office of the Trustee in the City of Las Vegas, Nevada. Interest on this Bond which is payable on any interest payment date will be paid to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) next preceding such interest payment date.

Additional provisions of this Bond are contained on the reverse hereof and such provisions shall for all purposes have the same effect as though fully set forth at this place.

This Bond shall not be valid or become obligatory for any purpose until the certificate endorsed hereon shall be signed by the Trustee under the Indenture.

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IN WITNESS WHEREOF, NEVADA POWER COMPANY has caused these presents to be signed in its name by its President or a Vice President and its corporate seal (or a facsimile thereof) to be affixed hereto and attested by its Secretary or an Assistant Secretary.

NEVADA POWER COMPANY

Dated:

By
Vice President

Attest:

.....
Secretary

[FORM OF REVERSE OF BOND OF SERIES]

This Bond is one of an issue of Bonds of the Company issuable in series, and is one of the Bonds of the series named in the caption hereof (the Bonds of said series being hereinafter called "Bonds of Series Q"), all Bonds of all series issued and to be issued under, and equally and ratably secured (except in so far as any Sinking Fund or analogous fund may afford additional security for the Bonds of any particular series) by an Indenture of Mortgage and Deed of Trust dated October 1, 1953 as amended and supplemented by a First Supplemental Indenture dated August 1, 1954, an Instrument of Further Assurance dated as of April 1, 1956, a Second Supplemental Indenture dated September 1, 1956, a Third Supplemental Indenture dated as of May 1, 1959, a Fourth Supplemental Indenture dated as of December 1, 1961, a Sixth Supplemental Indenture dated as of October 1, 1963, a Seventh Supplemental Indenture dated as of August 1, 1964, an Eighth Supplemental Indenture dated as of April 1, 1968, a Ninth Supplemental Indenture dated as of October 1, 1969, a Tenth Supplemental Indenture dated as of October 1, 1970, an Eleventh Supplemental Indenture dated as of November 1, 1972, a Twelfth Supplemental Indenture dated as of December 1, 1974, a Thirteenth Supplemental Indenture dated as of October 1, 1976, a Fourteenth Supplemental Indenture dated as of May 1, 1977, a Fifteenth Supplemental Indenture dated as of December 1, 1978 and a Sixteenth Supplemental Indenture dated as of December 1, 1981 (which Indenture of Mortgage and Deed of Trust as so amended and supplemented is hereinafter in this Bond called the "Indenture"), executed by the Company to First Interstate Bank of Nevada,

N.A., (formerly First National Bank of Nevada, Reno, Nevada) ("Trustee"), as Trustee, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the terms and conditions upon which the Bonds are and are to be secured and the rights, duties and immunities thereunder of the holders or registered owners thereof, of the Company, and of the Trustee. As provided in the Indenture, said Bonds may be issued in series, for various principal sums, may bear different dates and mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided or permitted. The Bonds of Series Q are described in said Sixteenth Supplemental Indenture dated as of December 1, 1981 ("Sixteenth Supplemental Indenture") executed by the Company to First Interstate Bank of Nevada, N.A., as Trustee, and are issuable as registered bonds without coupons in denominations of \$1,000 and any integral multiple thereof.

The Bonds of Series Q are subject to redemption at any time or from time to time prior to maturity, at the option of the Company, either as a whole or in part, upon payment of accrued interest to the dates fixed for the redemption thereof, plus that percentage of the principal amount thereof applicable to such date in accordance with the following table (wherein all dates are inclusive), namely:

| REGULAR REDEMPTION PRICES | |
|---|----------|
| Date of issue to November 30, 1982 | 116.125% |
| December 1, 1982 to November 30, 1983 | 113.821 |
| December 1, 1983 to November 30, 1984 | 111.518 |
| December 1, 1984 to November 30, 1985 | 109.214 |
| December 1, 1985 to November 30, 1986 | 106.911 |
| December 1, 1986 to November 30, 1987 | 104.607 |
| December 1, 1987 to November 30, 1988 | 102.304 |
| December 1, 1988 to November 30, 1989 | 100.000 |
| December 1, 1989 to November 30, 1990 | 100.000 |
| December 1, 1990 to November 30, 1991 | 100.000 |

provided that the Bonds of Series Q shall not be redeemed at the option of the Company prior to December 1, 1986 if such redemption is for the purpose or in anticipation of refunding such Bonds of Series Q through the use, directly or indirectly, of funds borrowed by the Company at an interest cost computed in accordance with generally accepted financial practice less than the interest cost to the Company of such Bonds of Series Q.

The Bonds of Series Q are entitled to the benefits of the Series Q Sinking Fund provided for in the Sixteenth Supplemental Indenture and are also

subject to redemption, in whole or in part, out of moneys deposited with the Trustee through the operation of the Series Q Sinking Fund and out of certain other moneys deposited with the Trustee, but in such cases the redemption price shall be the accrued interest on the Bonds to be redeemed to the dates fixed for the redemption thereof, plus that percentage of the principal amount thereof applicable to such date in accordance with the following table (wherein all dates are inclusive), namely:

SPECIAL REDEMPTION PRICES

| | |
|---|----------|
| December 1, 1982 to November 30, 1983 | 100.000% |
| December 1, 1983 to November 30, 1984 | 100.000 |
| December 1, 1984 to November 30, 1985 | 100.000 |
| December 1, 1985 to November 30, 1986 | 100.000 |
| December 1, 1986 to November 30, 1987 | 100.000 |
| December 1, 1987 to November 30, 1988 | 100.000 |
| December 1, 1988 to November 30, 1989 | 100.000 |
| December 1, 1989 to November 30, 1990 | 100.000 |
| December 1, 1990 to November 30, 1991 | 100.000 |

As provided in the Indenture, if any of the Bonds of Series Q are to be redeemed, notice of redemption shall be mailed by registered mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to the redemption date, to each registered holder of any Bond to be so redeemed to the last address of such holder appearing on the registry books for the Bonds of Series Q.

If this Bond or any portion hereof (One Thousand Dollars [\$1,000] or an integral multiple thereof) is called for redemption and payment duly provided, this Bond or such portion hereof shall cease to bear interest from and after the date fixed for such redemption.

To the extent permitted by and as provided in the Indenture, the rights and obligations of the Company and of the holders of Bonds of Series Q may be changed and modified with the consent of the Company and upon the written consent of the holders of at least sixty-six and two-thirds per cent (66 $\frac{2}{3}$ %) in principal amount of each series of the Bonds then outstanding and entitled to consent, provided that no such change shall be made (a) which would without the consent of the holders of all Bonds then outstanding and affected thereby (i) reduce the principal of, or premium, sinking fund, or rate of interest payable on, the Bonds, (ii) postpone the maturity date fixed for the payment of the principal of, sinking fund upon, or any installment of interest on, the Bonds, (iii) permit the creation of any lien, not otherwise permitted, prior to or on a parity with the lien of the Indenture, or (iv) reduce the percentage of the principal amount of Bonds the consent of the holders of which is required for the authorization of any such change or

modification, or (b) which would modify, without the written consent of the Trustee, the rights, duties or immunities of the Trustee.

In case an event of default as defined in the Indenture shall occur and be continuing, the principal of all the Bonds outstanding may be declared and may become due and payable in the manner and with the effect provided in the Indenture.

The Bonds of Series Q are interchangeable as to denominations in the manner and upon the conditions prescribed in the Indenture.

No recourse under or upon any obligation, covenant or agreement contained in the Indenture or in any indenture supplemental thereto, or in any Bond or coupon thereby secured, or because of any indebtedness thereby secured, shall be had against any incorporator, or against any past, present or future stockholder, officer, or director, as such, of the Company or any successor corporation, either directly or through the Company or of any successor corporation under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise; it being expressly agreed and understood that the Indenture, any indenture supplemental thereto and the obligations thereby secured, are solely corporate obligations, and that no personal liability whatever shall attach to, or be incurred by, such incorporators, stockholders, officers or directors, as such, of the Company or of any successor corporation, or any of them, because of the incurring of the indebtedness thereby authorized, or under or by reason of any of the obligations, covenants or agreements contained in the Indenture or in any indenture supplemental thereto or in any of the Bonds or coupons thereby secured, or implied therefrom.

Upon any partial redemption of this Bond, at the option of the registered holder hereof, this Bond may be either (i) surrendered to the Trustee in exchange for one or more new registered Bonds of Series Q, of authorized denominations, registered in the name of such holder, in an aggregate principal amount equal to the principal amount remaining unpaid upon this Bond, or (ii) submitted to the Trustee for notation hereon of the payment of the portion of the principal hereof paid upon such partial redemption.

This Bond is transferable by the registered holder hereof in person or by the attorney of such holder, duly authorized in writing, on the registry books to be kept for the purpose at the Las Vegas, Nevada office of the Trustee, Registrar for the Bonds, upon payment of the charges provided for in the Indenture and upon surrender of this Bond accompanied by a written instrument of transfer in form approved by the Company, duly executed by the registered holder in person or by such attorney, and upon cancellation hereof one or more new registered Bonds of Series Q, of authorized

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denominations, for the same aggregate principal amount, will be issued to the transferee in exchange herefor, as provided in the Indenture.

The Company, the Trustee and any paying agent may deem and treat the person in whose name this Bond is registered on such books as the absolute owner and holder thereof (whether or not this Bond shall be overdue and notwithstanding any notation of ownership or writing thereon which may have been made by anyone other than the Company or the Trustee) for the purpose of receiving payment hereof, and on account hereof and for all other purposes and neither the Company, the Trustee nor any paying agent shall be affected by any notice to the contrary.

[TRUSTEE'S CERTIFICATE TO BE ENDORSED ON BONDS]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds, of the series designated therein, described in the within-mentioned Indenture.

FIRST INTERSTATE BANK OF NEVADA, N.A.,
(by its Las Vegas, Nevada Office),
Trustee,

By

Authorized Officer

ARTICLE II

AUTHORIZED PRINCIPAL AMOUNT

§ 2.01. Bonds of Series Q may be executed by the Company and authenticated and delivered by the Trustee at any time and from time to time, in the manner and amount permitted by the Indenture; provided, however, that no Bonds of Series Q in excess of Fifty Million Dollars (\$50,000,000) principal amount (other than Bonds of Series Q which may be so executed, authorized and delivered in lieu of other Bonds of Series Q as authenticated by Article II or by § 10.01 of the Original Indenture) shall be executed by the Company, authenticated or delivered by the Trustee, or secured by the Indenture, except in such additional principal amounts as may be authorized by a supplemental indenture or indentures which the Company and the Trustee are hereby authorized to execute and deliver for that purpose.

ARTICLE III

REDEMPTION

§ 3.01. The Bonds of Series Q shall, subject to the provisions of this Article III and of Article X of the Original Indenture, be redeemable at any time or from time to time prior to maturity, at the option of the Company, either as a whole, or in part, upon payment of accrued interest to the dates fixed for the redemption thereof, plus that percentage of the principal amount thereof applicable to such date in accordance with the table captioned "Regular Redemption Prices" in the form of Bond of Series Q in § 1.03 of this Sixteenth Supplemental Indenture, provided that except in the case of redemptions of Bonds of Series Q from the Series Q Sinking Fund, or in other cases in which Bonds of Series Q are required to be redeemed hereunder, the Bonds of Series Q shall not be redeemed prior to December 1, 1986, if such redemption is for the purpose or in anticipation of refunding such Bonds of Series Q through the use, directly or indirectly, of funds borrowed by the Company at an interest cost computed in accordance with generally accepted financial practice of less than the interest cost to the Company of such Bonds of Series Q.

The Bonds of Series Q are also subject to redemption pursuant to the provisions of Article IV of this Sixteenth Supplemental Indenture.

The redemption price of any Bonds of Series Q which are to be redeemed pursuant to § 11.07 of the Original Indenture shall be the

principal amount thereof plus accrued interest to the date fixed for redemption and the redemption price of any Bonds of Series Q which are to be redeemed pursuant to § 12.04 of the Original Indenture shall be the price then applicable for the redemption of Bonds at the option of the Company.

§ 3.02. Subject to the provisions of Article X of the Original Indenture, notice of redemption (whether such redemption is pursuant to § 3.01 or Article IV of this Sixteenth Supplemental Indenture) shall be given if any Bonds of Series Q shall be designated as hereinafter provided for redemption in whole or in part on said redemption date, by mailing by registered mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days prior to said redemption date, written notice of the exercise of such right of redemption to each registered holder of any Bond of Series Q so designated, to the last address of such holder appearing on the registry books for the Bonds of Series Q.

§ 3.03. Anything in the Indenture to the contrary notwithstanding, payment of the redemption price of a portion of any Series Q Bond may be made by the Trustee or by any other paying agent with the consent of the Trustee to the registered holder thereof without presentation or surrender thereof to the Trustee if there shall have been filed with the Trustee an agreement between the Company and such registered holder that (a) payments will be so made; (b) such registered holder will make notations on such Series Q Bond of the portions thereof so redeemed; and (c) such registered holder will not dispose of such Series Q Bond or of any interest therein without, prior to any delivery thereof, surrendering the same to the Trustee for inspection or notation thereon of the principal amounts of such Series Q Bond theretofore paid. The Trustee shall be under no duty to determine that such notations have been made.

ARTICLE IV

SERIES Q SINKING FUND

§ 4.01. The Company will, subject to the provisions of this Article, maintain a sinking fund (herein called the "Series Q Sinking Fund") to be applied as hereinafter provided for the Bonds of Series Q, and for such purpose covenants that it will, subject to the credits hereinafter provided, pay to the Trustee on or before November 28, 1982 and on or before November 28 of each year thereafter an amount of cash equal to one per cent (1%) of the greatest aggregate principal amount of Bonds of Series Q at any one time theretofore outstanding. Each such November 28 is herein called a "Sinking Fund Payment Date". Nothing in this §4.01 shall be deemed to

require the Company to pay to the Trustee at any time in respect of principal a sum greater than the unpaid principal amount of the Bonds of Series Q then outstanding.

Except as expressly provided in this Sixteenth Supplemental Indenture, the Company shall not be entitled to increase, or to anticipate, any payment in satisfaction of its obligations in respect of the Series Q Sinking Fund. The Company shall, however, have the right at its option, in lieu of the payment of cash, to satisfy all or any part of any such sinking fund obligations (i) by delivery not earlier than September 1 nor later than October 20 in any year after 1981 of Bonds of Series Q theretofore authenticated and delivered hereunder which were originally issued by the Company by way of bona fide sale other than to an Affiliate of the Company and which have not theretofore been used for any purpose of this Indenture, and the Trustee shall credit such Series Q Sinking Fund payment due on the next succeeding Sinking Fund Payment Date with an amount equal to the principal amount of the Bonds of Series Q so delivered up to but not exceeding the amount of the Series Q Sinking Fund payment due on that Sinking Fund Payment Date and/or (ii) by certifying in the manner and subject to the conditions herein-after set forth a stated Net Amount of Property Additions not theretofore certified, and in every such case there shall be credited against such Series Q Sinking Fund obligations an amount equal to sixty per cent (60%) of the stated Net Amount of Property Additions so funded. The Company shall give notice in writing to the Trustee of its intention to make the Series Q Sinking Fund payment on or before October 20 in such year and shall specify in such notice the amount of the payment to be made on such Sinking Fund Payment Date and the amount of its obligation to be satisfied by the delivery of Bonds of Series Q, the amount to be satisfied by funding a Net Amount of Property Additions, and the balance thereof, if any, to be satisfied by the payment of cash.

Any Bonds of Series Q so delivered shall be accompanied by a Written Order of the Company instructing the Trustee to credit such Series Q Sinking Fund payment as aforesaid.

When a Net Amount of Property Additions is certified in satisfaction of the Series Q Sinking Fund payment, the Company shall furnish and deliver to the Trustee on or before October 20 the following:

A. A Resolution of the Board of Directors of the Company requesting the certifying, as a credit of a stated amount against its sinking fund obligation, of a Net Amount of Property Additions, not theretofore

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funded, equal to one hundred sixty-six and two-thirds per cent (166 $\frac{2}{3}$ %) of the stated amount of such credit.

B. *The Certificates, Opinions and Other Instruments* which the Company would be required to furnish to the Trustee upon an application for the authentication and delivery of Bonds on the basis of a Net Amount of Property Additions under Article V of the Original Indenture, but with the following variations in and omissions from the instruments specified in § 5.01 of the Original Indenture:

(1) The certificate required by § 5.01B of the Original Indenture may omit Clauses (9), (10) and (11) relating to Net Earnings; and

(2) It shall not be necessary for the Company to deliver to the Trustee the Resolution required by § 5.01A of the Original Indenture, or the supplemental indenture required by § 5.01E of the Original Indenture, and the Opinion of Counsel required may exclude the matters specified in § 5.01D(1), (6) and (7) of the Original Indenture.

§ 4.02. Whenever Bonds of Series Q are required to be redeemed pursuant to the provisions of this Article, the Company shall in each case, prior to the date fixed for redemption thereof, pay to the Trustee in cash all unpaid interest accrued on such Bonds of Series Q to said date fixed for redemption.

§ 4.03. Promptly after October 20 of each year the Trustee shall proceed to select for redemption, in the manner provided for in § 10.01 of the Original Indenture, a principal amount of Bonds of Series Q equal (to the nearest integral multiple of One Thousand Dollars [\$1,000]) to the amount, if any, of the Series Q Sinking Fund payment to be paid in cash on the next Sinking Fund Payment Date (after giving effect to the credit, if any, against such Series Q Sinking Fund payment resulting from the delivery of Bonds of Series Q to the Trustee and to the certification to the Trustee of a Net Amount of Property Additions, pursuant to § 4.01 of this Sixteenth Supplemental Indenture), and, for and on behalf of and in the name of the Company, the Trustee shall give notice by mail in the same manner and form as prescribed in § 3.02 hereof, of the redemption for the Series Q Sinking Fund on the next ensuing December 1 of the Bonds of Series Q so selected, except that such notice shall state that the redemption is for the Series Q Sinking Fund in lieu of stating that the Company has elected to redeem the Bonds of Series Q designated therein. A copy of such notice shall also be mailed to the Company. The redemption price to be paid for the Bonds of Series Q so redeemed for the purpose of the Sinking Fund for the

Bonds of Series Q shall be the accrued interest on the Bonds to be redeemed to the dates fixed for the redemption thereof, plus that percentage of the principal amount thereof applicable to such date in accordance with the table captioned "Special Redemption Prices" in the form of Bond of Series Q in § 1.03 of this Sixteenth Supplemental Indenture. Notwithstanding anything to the contrary contained elsewhere in the Indenture, no more than 1% of the greatest aggregate principal amount of Bonds of Series Q at any one time theretofore outstanding shall be redeemed in any one year through the operation of the Series Q Sinking Fund.

§ 4.04. All moneys paid to the Trustee pursuant to § 4.01 and § 4.02 of this Sixteenth Supplemental Indenture shall be held by the Trustee in trust for the benefit of the respective holders of the Bonds of Series Q which are to be redeemed (in whole or in part) and shall be paid to them as provided in Article III of this Sixteenth Supplemental Indenture or Article X of the Original Indenture as from time to time in effect.

Nothing contained in this Sixteenth Supplemental Indenture or in any Bond of Series Q shall be construed to imply any obligation upon the Trustee to make any payment except out of moneys deposited with it for such purpose by the Company.

§ 4.05. All Bonds of Series Q redeemed and paid through the operation of the Series Q Sinking Fund (including any Bonds delivered to the Trustee pursuant to the provisions of § 4.01 of this Sixteenth Supplemental Indenture) shall be cancelled by the Trustee, except that if there shall have been designated for redemption as aforesaid a portion but less than all of an outstanding Bond of Series Q, and upon presentation of such Bond there shall be paid to or upon the order of the registered holder of such Bond the principal amount of the portion of such Bond so designated for redemption, and unpaid accrued interest in respect thereof, and the Trustee shall have made notation thereon of the payment of the portion of the principal of such Bond so called for redemption, or if payment shall be made direct to the registered owner without presentation or surrender (as provided in § 3.03 of this Sixteenth Supplemental Indenture), then such Bond need not be cancelled.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

§ 5.01. The Company represents and warrants that, as of the date of execution of this Sixteenth Supplemental Indenture, it has good and marketable title in fee simple to all the real properties described in the Granting

Clauses of the Original Indenture, the First Supplemental Indenture, the Instrument of Further Assurance, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture, the Fifteenth Supplemental Indenture, and this Sixteenth Supplemental Indenture (except any property heretofore released from the lien of the Indenture in accordance with the terms thereof), free and clear of any liens and encumbrances except Permitted Encumbrances and those, if any, referred to in said Granting Clauses, and that it has good and marketable title and is lawfully possessed of all other properties described in said Granting Clauses (except any properties therein described as to be acquired by the Company after the date of this Sixteenth Supplemental Indenture and except any property heretofore released from the lien of the Indenture in accordance with the terms thereof), and the Indenture constitutes a direct and valid first mortgage lien on all such properties, subject only to Permitted Encumbrances and those, if any, referred to in said Granting Clauses. The Company represents and warrants that it has and covenants that it will continue to have, subject to the provisions of the Indenture, good right, full power and lawful authority to grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set-over and confirm to the Trustee all properties of every kind and nature described or referred to in said Granting Clauses (except any properties therein described as to be acquired by the Company after the date of this Sixteenth Supplemental Indenture) which by the provisions of the Indenture are intended to be subject to the lien of the Indenture and that it will defend the title to such property and every part thereof to the Trustee forever, for the benefit of the holders of the Bonds, against the claims and demands of all persons whomsoever.

ARTICLE VI

RENEWAL AND REPLACEMENT FUND

§ 6.01. Notwithstanding anything to the contrary contained elsewhere in the Indenture, cash deposited with the Trustee pursuant to §9.06 of the Original Indenture (a) shall not be used to redeem Bonds of Series Q prior to December 1, 1986, and (b) shall be retained by the Trustee and,

unless withdrawn pursuant to the provisions of §9.06 of the Original Indenture, shall be applied by the Trustee to the redemption of Bonds of Series Q on December 1, 1986 at the "Regular Redemption Prices" specified in the form of Bond of Series Q in §1.03 of this Sixteenth Supplemental Indenture.

PART II

MISCELLANEOUS PROVISIONS

Except in so far as herein otherwise expressly provided, all of the definitions, provisions, terms and conditions of the Indenture shall be deemed to be incorporated in, and made a part of, this Sixteenth Supplemental Indenture; and the Original Indenture as amended and supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, the Eleventh Supplemental Indenture, the Twelfth Supplemental Indenture, the Thirteenth Supplemental Indenture, the Fourteenth Supplemental Indenture and the Fifteenth Supplemental Indenture is in all respects ratified and confirmed and supplemented by this Sixteenth Supplemental Indenture; and the Original Indenture as amended and supplemented shall be read, taken and construed as one and the same instrument.

All covenants, promises, agreements, undertakings and provisions of the Indenture which exist for the benefit of, or while or so long as, 1983 Series Bonds, Series B Bonds, Series D Bonds, Series E Bonds, Series F Bonds, Series G Bonds, Series H Bonds, Series I Bonds, Series J Bonds, Series K Bonds, Series L Bonds, Series M Bonds, Series N Bonds, Series O Bonds, or Series P Bonds are outstanding, are hereby expressed to exist also for the benefit of Bonds of Series Q and for that purpose shall be observed, performed and complied with by the Company so long as any Bonds of Series Q shall be outstanding.

This Sixteenth Supplemental Indenture shall be effective as of the date first hereinabove set forth, and may be executed simultaneously or from time to time in several counterparts, and each counterpart shall constitute an original instrument, and it shall not be necessary in making proof of this Sixteenth Supplemental Indenture or of any counterpart thereof to produce or account for any of the other counterparts.

IN WITNESS WHEREOF, said NEVADA POWER COMPANY has caused this Sixteenth Supplemental Indenture to be executed on its behalf by its President or one of its Vice Presidents and its corporate seal to be hereto affixed, and the said seal and this Sixteenth Supplemental Indenture to be attested by its Secretary or Assistant Secretary; and said First Interstate Bank of Nevada, N.A., in evidence of its acceptance of the trust hereby created has caused this Sixteenth Supplemental Indenture to be executed on its behalf by two of its Trust Officers and its corporate seal to be hereto affixed and said seal and this Sixteenth Supplemental Indenture to be attested by its Secretary or Assistant Secretary, all as of the 1st day of December, 1981.

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NEVADA POWER COMPANY

By *C. L. Ryan*
C. L. RYAN President [SEAL]

Attest: *W. E. Littler*
W. E. LITTLER Assistant Secretary

FIRST INTERSTATE BANK OF NEVADA, N.A., as Trustee

JOHN L. MAHER VICE PRESIDENT

By *John L. Maher*
By *M. P. Baker*
M. P. BAKER TRUST OFFICER [SEAL]

Attest: *Hugh Ferree*
HUGH FERREE ASSISTANT VICE PRESIDENT

STATE OF NEVADA
COUNTY OF CLARK

On this 3rd day of December personally appeared before me, a Notary Public in and for said County and State, C. L. RYAN, known to me to be the PRESIDENT of Nevada Power Company, one of the corporations that executed the foregoing instrument, and upon oath did depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation and that the seal affixed to said instrument is the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures, and that the said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.

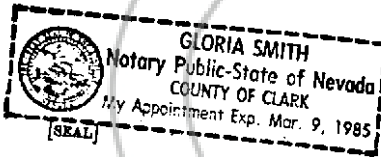
Maria L. Levy
Notary Public



STATE OF NEVADA

COUNTY OF CLARK

On this 3rd day of Dec. 1981, personally appeared before me, a Notary Public in and for said County and State, John L. Mabel and ... known to me to be the Vice President and Treas. of First Interstate Bank of Nevada, N.A. one of the corporations that executed the foregoing instrument, and upon oath did each depose that he is the officer of said corporation as above designated; that he is acquainted with the seal of said corporation and that the seal affixed to said instrument in the corporate seal of said corporation; that the signatures to said instrument were made by officers of said corporation as indicated after said signatures, and that the said corporation executed the said instrument freely and voluntarily and for the uses and purposes therein mentioned.



Gloria Smith
Notary Public

NOTARY PUBLIC—NEVADA
CLARK COUNTY

- Recorded in the Official Records of Nye County, Nevada,
Book No., Instrument No.
- Recorded in the Official Records of Clark County, Nevada,
Book No., Instrument No.
- Recorded in the Official Records of Lincoln County, Nevada,
Book No., Instrument No.
- Recorded in the Real Property Records of Coconino County, Arizona,
Docket No., Pages
- Recorded in the Real Property Records of Navajo County, Arizona,
Docket No., Pages inclusive.
- Recorded in the Real Property Records of Mohave County, Arizona,
Docket No., Pages inclusive.
- Recorded in the Real Property Records of Washington County, Utah,
Docket No., Pages inclusive.
- Recorded in the Real Property Records of Kane County, Utah,
Docket No., Pages inclusive.

No. 74010
FILED AND RECORDED AT REQUEST OF
NEVADA POWER Co.
DEC. 4, 1981
AT 35 MINUTES PAST 11 O'CLOCK
A M IN BOOK 47 OF OFFICIAL
RECORDS, PAGE 428 LINCOLN
COUNTY, NEVADA
James A. DeGroot
COUNTY RECORDER