

EXHIBIT

TMWA 2-7

**May 10, 1990 Letter from
Washoe County Water Conservation
District to Sierra Pacific Power Company**

WASHOE COUNTY
WATER CONSERVATION DISTRICT
275 Hill Street - Room 280
(702) 322-9199

May 10, 1990

Sierra Pacific Power Company
Westpac
P.O. Box 10100
Reno, Nevada 89510

Re: Boca Storage

Gentlemen:

The Washoe County Water Conservation District at this time wishes to serve notice on you that they desire to terminate the existing agreement for temporary storage of your water in Boca Reservoir.

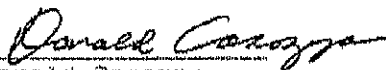
These agreements are:

1. Agreement Dated 30 September 1988 for temporary storage of Independence Lake water in Boca reservoir.
2. Agreement Dated 18 July 1988 for temporary storage of Independence and Donner Lake water for drought storage.

The purpose of this termination is to give the District time to review the purpose and intention of these Agreements to re-evaluate the charges for storage and to review the operating criteria.

The District Board will be available to discuss with your company any proposed future agreement.

Very truly yours,


Donald Casazza
President

DC:ben

PLANNING & ENGINEERING

MAY 14 1990