

CONNELL FINANCE COMPANY, INC.

A SUBSIDIARY OF THE CONNELL COMPANY

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October 30, 2002
Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street N.W.
Washington, D.C. 20423-0001

RECORDATION NO. 19610-B FILED

NOV 01 '02 2:52 PM



Dear Mr. Williams:

SURFACE TRANSPORTATION BOARD

I have enclosed two originals of the secondary document described below, to be recorded pursuant to Section 11301 of Title 49 of the United States Code.

The enclosed document is Amendment No. 1 to Memorandum of Lease, a secondary document, dated as of May 28, 2002 (the *Amendment to Memorandum of Lease*), between Connell Finance Company, Inc. (*Lessor*) and Sierra Pacific Power Company (*Sierra*) and Idaho Power Company (*Idaho Power*; Sierra and Idaho Power being hereinafter collectively referred to as *Lessee*). The primary document to which the Amendment to Memorandum of Lease is connected is the Memorandum of Lease dated as of September 14, 1995 between Lessor and Lessee, recorded with the Surface Transportation Board (then known as the Interstate Commerce Commission) on September 21, 1995 at 10:15AM and assigned recordation number 19610.

A description of the equipment covered by the Amendment to Memorandum of Lease is as follows:

Seven (7) coal cars (with the following reporting mark and car numbers) (the *Casualtied Coal Cars*):

<u>Reporting Mark</u>	<u>Car Number</u>
VALX	95100
VALX	95113
VALX	95122
VALX	95139
VALX	95159
VALX	95165
VALX	95170

were replaced with seven (7) new 4,418 cu.ft. aluminum rapid discharge hopper cars, constructed by Trinity Industries, Inc., with the following reporting mark and car numbers (the *Replacement Coal Cars*):

<u>Reporting Mark</u>	<u>Car Number</u>
VALX	21187
VALX	21188
VALX	21189
VALX	21190
VALX	21191
VALX	21192
VALX	21193

A check in the amount of \$30.00 is enclosed to cover the fee for filing this Amendment to Memorandum of Lease. Please return one original of the Amendment to Memorandum of Lease and the

extra copy of this letter, time- and date-stamped as to filing, to Richard E. Bartok, Esq., Vice President and Associate General Counsel, Connell Finance Company, Inc., One Connell Drive, Berkeley Heights, NJ 07922.

A short summary of the Amendment to Memorandum of Lease is as follows:

Amendment to Memorandum of Lease dated as of May 28, 2002 between Connell Finance Company, Inc. (*Lessor*) and Sierra Pacific Power Company (*Sierra*) and Idaho Power Company (*Idaho Power*; Sierra and Idaho Power being hereinafter collectively referred to as *Lessee*) whereby such parties confirmed that the Casualty Coals Cars referred to above suffered an event of loss and were replaced with the Replacement Coal Cars referred to above (the Replacement Coal Cars thereby being subject to the terms of the lease between Lessor and Lessee).

If you have any questions, please do not hesitate to call the undersigned at (908) 673-3700. Thank you.

Sincerely,

CONNELL FINANCE COMPANY, INC.



Richard E. Bartok
Vice President and Associate General Counsel

Enc.

02.07401

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NOV 01 '02 2:52 PM

AMENDMENT NO. 1 TO MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

This Amendment No. 1 to Memorandum of Lease (this "Amendment"), dated as of May 28, 2002, is made between Connell Finance Company, Inc., a New Jersey corporation ("Lessor") and Sierra Pacific Power Company, a Nevada corporation ("Sierra") and Idaho Power Company, an Idaho company ("Idaho Power"; Sierra and Idaho Power being hereinafter collectively referred to as "Lessee").

WHEREAS, Lessor and Lessee entered into a Memorandum of Lease dated as of September 14, 1995 (the "Memorandum") (as amended, the "Memorandum"; capitalized terms used herein and not otherwise defined shall have the meaning assigned thereto in the Memorandum) evidencing the lease of certain aluminum coal cars by Lessor to Lessee;

WHEREAS, the Memorandum was filed with the Surface Transportation Board (then known as the Interstate Commerce Commission) on September 21, 1995 at 10:15AM and assigned recordation number 19610;

WHEREAS, certain Items described in the Memorandum have suffered an Event of Loss under the Lease and Lessee has elected, pursuant to Section 13 of the Lease, to replace the Items which suffered such Event of Loss with replacement items; and

WHEREAS, Lessor and Lessee desire to amend certain portions of the Memorandum to reflect the foregoing;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. AMENDMENT TO MEMORANDUM.

1.1. Schedule I to the Memorandum is amended by inserting the following at the end of such Schedule I:

Notwithstanding the foregoing, the parties confirm that (i) of the coal cars referenced above, the following seven (7) coal cars (with the following reporting mark and car numbers) suffered an Event of Loss (the "Casualtied Coal Cars"):

<u>Reporting Mark</u>	<u>Car Number</u>
VALX	95100
VALX	95113
VALX	95122
VALX	95139
VALX	95159
VALX	95165
VALX	95170

and (ii) in accordance with the terms of Section 13 of the Lease, the Casualtied Coal Cars have been replaced with seven (7) new 4,418 cu.ft. aluminum rapid discharge hopper cars, constructed by Trinity Industries, Inc., with the following reporting mark and car numbers (the "Replacement Coal Cars"):

<u>Reporting Mark</u>	<u>Car Number</u>
VALX	21187
VALX	21188
VALX	21189
VALX	21190

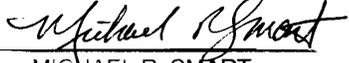
VALX 21191
VALX 21192
VALX 21193

IN WITNESS WHEREOF, Lessor and Lessee have caused this Amendment to be executed as of the day and year first above written.

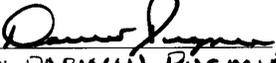
LESSOR:
CONNELL FINANCE COMPANY, INC.

By: 
Name: Sharon Connell
Title: Executive Vice President
Date: 9/19/02

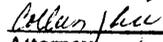
LESSEE:
SIERRA PACIFIC POWER COMPANY

By: 
Name: MICHAEL R. SMART
Title: VICE PRESIDENT
Date: 7/17/2002

IDAHO POWER COMPANY

By: 
Name: DARWIN PUCMIR
Title: GM. POWER PRODUCTION
Date: 9/11/02

Form Approved


Attorney 7-1602

STATE OF NEW JERSEY)
COUNTY OF UNION) ss:

On this 19th day of September, 2002 before me personally appeared Shane Ward, to me personally known, who being by me duly sworn, says that (s)he is the Exec. V.P. of Connell Finance Company, Inc., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

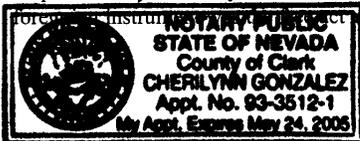
Karen Deridder
Notary Public

NOTARIAL SEAL

My Commission Expires: **KAREN KAREN DERIDDER**
NOTARY PUBLIC STATE OF NEW JERSEY
REGISTERED IN THE OFFICE OF CLERK OF SUPERIOR COURT
MY COMMISSION EXPIRES SEPTEMBER 30, 2007

STATE OF Nevada)
COUNTY OF Clark) ss:

On this 17 day of July, 2002 before me personally appeared Michael R. Smart, to me personally known, who being by me duly sworn, says that (s)he is the Vice President of Sierra Pacific Power Company, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Cheryl Lynn Gonzalez

STATE OF Idaho)
COUNTY OF Ada) ss:

On this 11th day of September, 2002 before me personally appeared Darwin Pugmire, to me personally known, who being by me duly sworn, says that (s)he is the G.M. Power Production Company, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Mary Gray
Notary Public

NOTARIAL SEAL

My Commission Expires: 7/17/04

02.03451