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RECORDATION NO. 26234 FILED

MAR 03 '06

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SURFACE TRANSPORTATION BOARD

lgitomer@dc.bjllp.com

March 3, 2006

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed two certified copies of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Lease Agreement, a primary document, dated as of March 3, 2006. We request that this document be given the next available Recordation Number.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

LaSalle National Leasing Corporation
One West Pennsylvania Avenue, Suite 1000
Towson, MD 21204

Lessee:

Sierra Pacific Power Company
6100 Neil Road
Reno, NV 89511

A description of the equipment covered by the Memorandum of Lease Agreement consists of 45 2006 Trinity Rapid Discharge Coal cars numbered VALX 26000-26044, inclusive.

BALL JANIK LLP

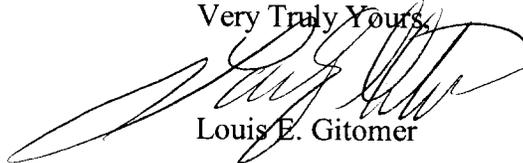
Honorable Vernon A. Williams
March 3, 2006
Page 2

A fee of \$ 33.00 is enclosed. Please return one copy to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Memorandum of Lease Agreement between LaSalle National Leasing Corporation, One West Pennsylvania Avenue, Suite 1000, Towson, MD 21204, and Sierra Pacific Power Company, 6100 Neil Road, Reno, NV 89511, 45 2006 Trinity Rapid Discharge Coal cars numbered VALX 26000-26044, inclusive.

Very Truly Yours,



Louis E. Gitomer

Enclosures

RECORDATION NO. 26234 FILED

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE AGREEMENT

dated as of March 3, 2006

between

**SIERRA PACIFIC POWER COMPANY,
as Lessee,**

and

**LASALLE NATIONAL LEASING CORPORATION,
as Lessor**

FILED WITH THE SURFACE TRANSPORTATION BOARD

PURSUANT TO 49 U.S.C. § 11301

on _____, 2006 at ____:____.m.

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of March 3, 2006, by and between LASALLE NATIONAL LEASING CORPORATION ("Lessor") and SIERRA PACIFIC POWER COMPANY ("Lessee"), with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, those certain railcars described on Exhibit No. 1 attached hereto.

All of such railcars are more fully described in that certain Rail Equipment Net Leasing Agreement dated as of February 28, 2006, and Interim Schedule No. 1 thereto and incorporating the terms thereof, dated as of February 28, 2006 (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee.

2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

This Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**EXHIBIT NO. 1
TO MEMORANDUM OF LEASE AGREEMENT**

DESCRIPTION OF RAILCARS AND REPORTING MARKS

SEE ATTACHED

LASALLE NATIONAL LEASING CORPORATION

SCHEDULE OF EQUIPMENT

Lessee: **SIERRA PACIFIC POWER COMPANY**

Approved By: _____
 (Lessee to Initial each page)

Attached to Bill of Sale dated _____
 20 _____

Equipment located at:
 180 Stonehouse Exlt 212
 Street No.

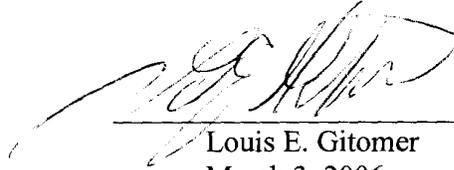
and/or
 Interim
 Equipment Schedule No. 1

Valmy Humboldt NV 89438
 City County State Zip

| Manufacturer and/or Vendor Name & Invoice No. | Description | Invoice Cost |
|--|---|--------------|
| Trinity Industries, Inc. PO Box 568887 Dallas, TX 75356-8887 | 27 - 2006 Trinity Rapid Discharge Coal Car, RD VI 119-Ton, Aluminum Body, Steel Underframe w/ Rotary Couplers, 4,207 c.f. capacity - level full, 4,603 c.f. capacity - 10" heap Specification No. HT-D5Q124-A Car Nos.: VALX 26000 - 26026 | |
| Invoice No.: 27909 | INVOICE TOTAL | |
| Invoice No.: 27957 | 18 - 2006 Trinity Rapid Discharge Coal Car, RD VI 119-Ton, Aluminum Body, Steel Underframe w/ Rotary Couplers, 4,207 c.f. capacity - level full, 4,603 c.f. capacity - 10" heap Specification No. HT-D5Q124-A Car Nos.: VALX 26027 - 26044 | |
| | INVOICE TOTAL | |
| | LOCATION TOTAL | |
| | SCHEDULE TOTAL | |

CERTIFICATION

I, Louis E. Gitomer, have compared this copy to the original Memorandum of Lease Agreement, dated as of March 3, 2006, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.



Louis E. Gitomer
March 3, 2006