



IN REPLY REFER TO:

United States Department of the Interior

BUREAU OF RECLAMATION

Great Plains Region

Montana Area Office

P.O. Box 30137

Billings, Montana 59107-0137

August 8, 2007



Dear Interested Party:

July inflow to Yellowtail Reservoir (Bighorn Lake) was the 7th lowest of record and our forecast for August inflow is around 50 percent of average. Unfortunately, inflow projections for the remainder of the calendar year don't show much sign of improving. On the positive side, Reclamation's concerted effort to conserve storage during the past several months has placed us in a better position than we were at this same time last year. We are now able to maintain our present release of 1,750 cubic feet per second (cfs) to the Bighorn River through August and still meet downstream irrigation demands.

Despite significantly less-than-desirable hydrologic conditions during the past several months, we remain optimistic that we will be able to sustain our current release of 1,750 cfs, and hopefully provide some level of increase, into the fall and winter. The months of August and September will be critical in determining whether or not our optimism is premature. Accordingly, we will continue to closely monitor water supply conditions at Yellowtail Reservoir (Bighorn Lake) and coordinate with our customers and the applicable resource management entities regarding our operations.

Attached are the latest monthly water supply outlook and projected reservoir and river operating plans. Updates to these plans can be accessed through our Web site at www.usbr.gov/gp/mtao. Reclamation remains committed to continue exploring opportunities for enhancing benefits for all Yellowtail beneficiaries through collaborative efforts with interested parties and stakeholders from both Montana and Wyoming. Please feel free to provide us with additional information as this operational season progresses.

Sincerely,

Dan Jewell
Area Manager

RECLAMATION

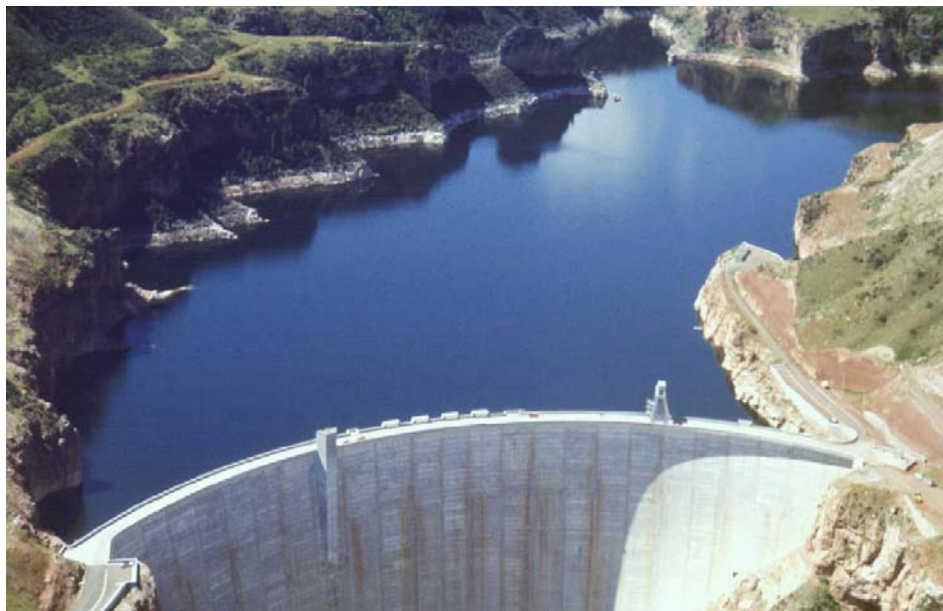
Managing Water in the West

August 8, 2007

Dear Customer:

Attached is the monthly water supply outlook and projected reservoir and river operating plans as prepared on August 8, 2007. Streamflow into Bighorn Lake has receded and remains well below normal. Inflow to Bighorn Lake during July was the 7th lowest of record. Water users are advised to continue making plans to conserve the limited available water supply. We hope you find the information useful. If you have any questions or concerns, please feel free to call me at (406) 247-7318.

Tim H. Felchle
Reservoir and River Operations



U. S. Department of the Interior
Bureau of Reclamation
Montana Area Office
River and Reservoir Operations

YELLOWTAIL RESERVOIR OPERATIONS
 Water Supply Forecasts and Reservoir Operations
 August 1, 2007

Present Elevations & Storages:

<u>Reservoir</u>	<u>Elevation</u>	<u>Storage</u>	<u>Percent of Normal</u>
Boysen	4705.98	439,508	---
Buffalo Bill	5381.83	555,134	---
Bighorn Lake	3634.27	1,003,088	97

Actual Inflows (1,000 Acre-Feet):

<u>Month</u>	<u>Inflow</u>	<u>Percent of Normal</u>
<i>April-July, 2006</i>	<i>528.2</i>	<i>44</i>
<i>WY-2006 Total</i>	<i>1,432.9</i>	<i>57</i>
October	125.6	66
November	98.7	61
December	82.5	56
January	67.4	48
February	77.8	54
March	100.2	56
April	100.6	58
May	206.7	80
June	219.2	49
July	87.6	28
<i>April-July, 2007</i>	<i>614.1</i>	<i>51</i>

Actual Gains Between Boysen and Buffalo Bill to Yellowtail (1,000 Acre-Feet):

<u>Month</u>	<u>Gains</u>	<u>Percent of Normal</u>
<i>April-July, 2006</i>	<i>-2.5</i>	<i>---</i>
<i>WY-2006 Total</i>	<i>280.6</i>	<i>39</i>
October	73.5	97
November	56.9	88
December	39.6	84
January	24.0	51
February	38.7	67
March	56.7	72
April	55.0	116
May	82.2	95
June	102.3	60
July	-51.3	---
<i>April-July, 2007</i>	<i>188.2</i>	<i>60</i>

August Forecast of August Inflow (1,000 Acre-Feet):

<u>Agency</u>	<u>Inflows</u>	<u>Percent of Normal</u>
USBR	88.1	52

Snowpack Conditions:

S N O W - P R E C I P I T A T I O N U P D A T E

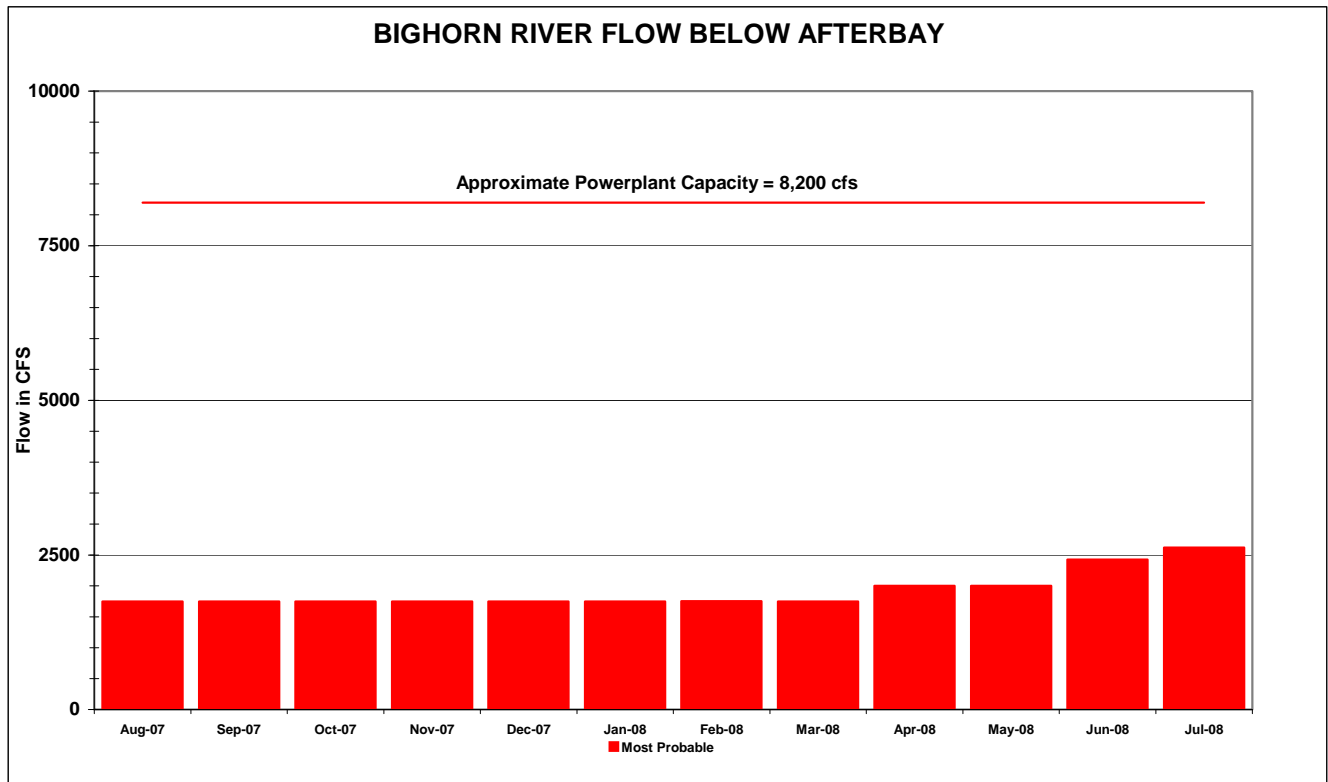
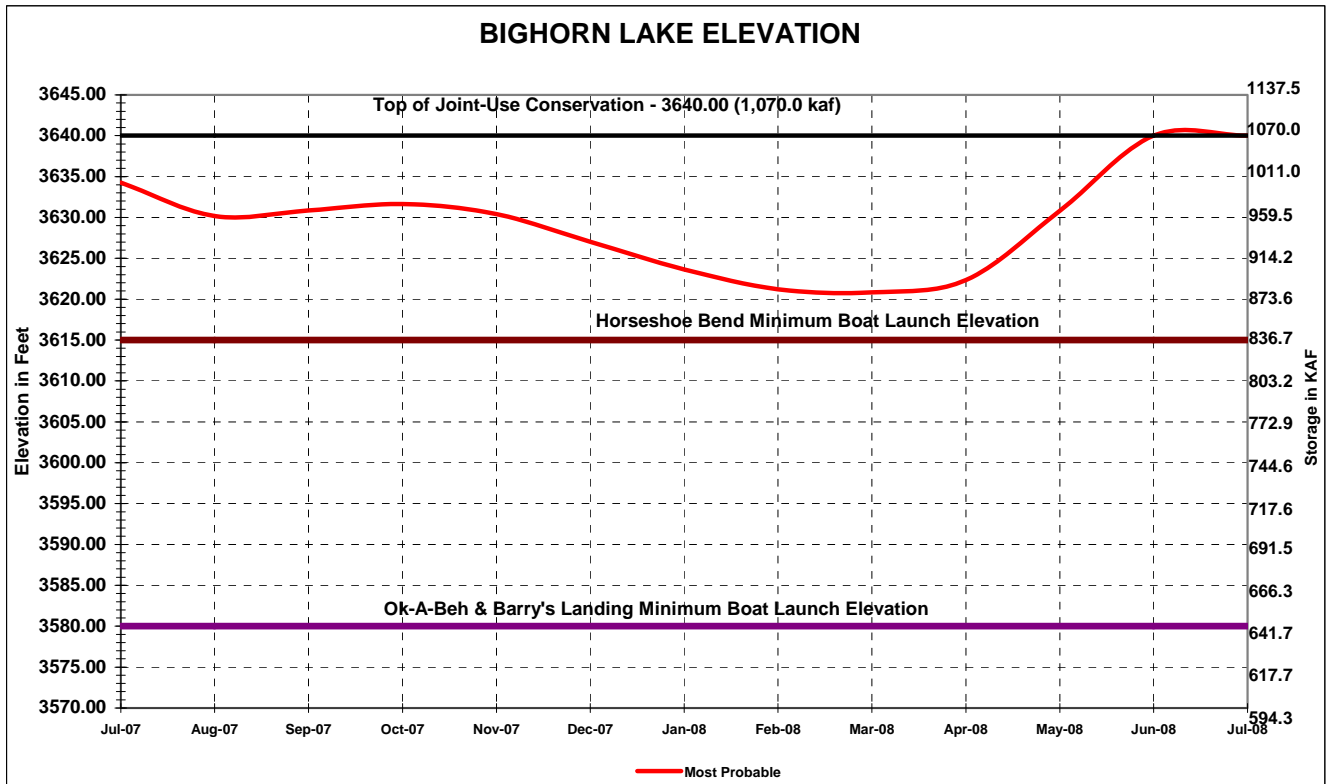
DATA UNAVAILABLE

BHXAOP V1.12 Run: 06-Aug-2007 13:23
 Based on Most Probable Inflow Forecast

BIGHORN LAKE MONTHLY OPERATIONS

Bighorn Reservoir		Initial Cont Elev 3634.27 ft				Maximum Cont Elev 3657.00 ft				Minimum Cont Elev 3547.00 ft				Total
	2007	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
Boysen Release	kaf	66.4	45.5	30.7	23.8	24.6	24.6	23.0	24.6	50.6	67.6	69.9	103.7	555.0
Boysen Release	cfs	1080	765	499	400	400	400	400	400	850	1099	1175	1687	
Buffalo Bill Riv Flo	kaf	63.0	50.0	18.4	8.9	9.2	9.2	8.6	9.2	40.6	84.6	104.1	107.6	513.4
Buffalo Bill Riv Flo	cfs	1025	840	299	150	150	150	150	150	682	1376	1749	1750	
Station Gain	kaf	-41.3	30.0	66.1	54.9	38.1	40.3	45.3	66.6	36.1	53.0	78.7	-26.8	441.0
Monthly Inflow	kaf	88.1	125.5	115.2	87.6	71.9	74.1	76.9	100.4	127.3	205.2	252.7	184.5	1509.4
Monthly Inflow	cfs	1433	2109	1874	1472	1169	1205	1337	1633	2139	3337	4247	3001	
Turbine Release	kaf	130.1	118.7	107.4	99.9	103.3	103.3	96.7	103.3	115.4	129.8	150.1	184.5	1442.5
Bypass/Spill/Waste	kaf	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Release	kaf	130.1	118.7	107.4	99.9	103.3	103.3	96.7	103.3	115.4	129.8	150.1	184.5	1442.5
Total Release	cfs	2116	1995	1747	1679	1680	1680	1681	1680	1939	2111	2523	3001	
Spring Flow	kaf	4.3	4.2	4.3	4.2	4.3	4.3	4.0	4.3	4.2	4.3	4.2	4.3	50.9
Irrigation Reqmnt	kaf	26.8	18.8	4.1	0.0	0.0	0.0	0.0	0.0	0.6	11.1	10.0	27.7	99.1
Afterbay Rels	kaf	134.4	122.9	111.7	104.1	107.6	107.6	100.7	107.6	119.6	134.1	154.3	188.8	1493.4
Afterbay Rels	cfs	2186	2065	1817	1749	1750	1750	1751	1750	2010	2181	2593	3071	
River Release	kaf	107.6	104.1	107.6	104.1	107.6	107.6	100.7	107.6	119.0	123.0	144.3	161.1	1394.3
River Release	cfs	1750	1749	1750	1749	1750	1750	1751	1750	2000	2000	2425	2620	
Min Release	kaf	107.6	104.1	107.6	104.1	107.6	107.6	100.7	107.6	119.0	123.0	119.0	123.0	1330.9
End-Month Targets	kaf											1070.0	1070.0	
End-Month Content	kaf	961.1	967.9	975.7	963.4	932.0	902.8	883.0	880.1	892.0	967.4	1070.0	1070.0	
End-Month Elevation	ft	3630.16	3630.86	3631.64	3630.40	3627.04	3623.65	3621.21	3620.84	3622.33	3630.81	3640.00	3640.00	
Net Change Content	kaf	-42.0	6.8	7.8	-12.3	-31.4	-29.2	-19.8	-2.9	11.9	75.4	102.6	0.0	66.9
Yellowtail Power	2007	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Total
Turbine Release	kaf	130.1	118.7	107.4	99.9	103.3	103.3	96.7	103.3	115.4	129.8	150.1	184.5	1442.5
Generation	gwh	51.934	47.116	42.731	39.718	40.778	40.366	37.469	39.866	44.607	50.933	60.607	75.650	571.775
End-Month Power Cap	mw	277.8	278.5	279.2	278.0	274.8	271.6	269.3	269.0	270.4	278.4	287.5	287.5	
% Max Gen		24	23	20	19	19	19	19	19	22	24	29	35	
Ave kwh/af		399	397	398	398	395	391	387	386	387	392	404	410	396
Upstream Generation	gwh	24.444	19.227	8.001	3.602	3.751	3.768	3.545	3.835	15.779	27.988	28.294	32.696	174.930
Total Generation	gwh	76.378	66.343	50.732	43.320	44.529	44.134	41.014	43.701	60.386	78.921	88.901	108.346	746.705

BIGHORN LAKE



WATER YEAR 2007