



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

July 10, 2007



Dear Interested Party:

Reclamation's concerted efforts to conserve storage during the past several months, combined with some significant and very timely precipitation in early June, enabled us to increase releases during mid-June from 1,500 cubic feet per second (cfs) to 1,750 cfs. However, the favorable inflows experienced during the first half of June proved to be short-lived as the remainder of the month saw inflows drop to only 35 percent of average. During the first part of July, near record high temperatures and increasing irrigation demands have caused stream flows to begin dropping to dangerously low levels in many areas of Montana and the Bighorn River basin.

At this time, Reclamation is planning to maintain releases at 1,750 cfs through the remainder of the summer. However, based on the latest inflow projections for July through September, it may be necessary to hold releases at 1,750 cfs through the fall and winter rather than increase to 2,000 cfs as previously planned. Accordingly, this change is reflected in our July operations plan. It remains our goal to be able to release up to 2,000 cfs during the fall and winter, but it is simply too early to determine whether or not that will be viable.

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

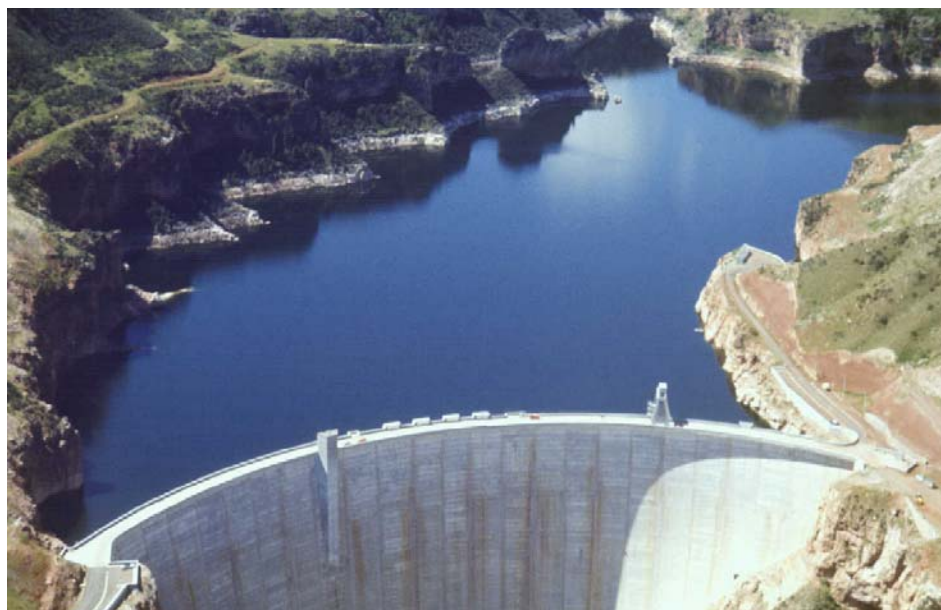
Managing Water in the West

July 1, 2007

Dear Customer:

Attached is the monthly water supply outlook and projected reservoir and river operating plans as prepared on July 10, 2007. With the mountain snowmelt essentially over, streamflow into Bighorn Lake has quickly receded and remains well below normal. 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
 July 1, 2007

Present Elevations & Storages:

<u>Reservoir</u>	<u>Elevation</u>	<u>Storage</u>	<u>Percent of Normal</u>
Boysen	4708.95	478,349	---
Buffalo Bill	5390.47	622,140	---
Bighorn Lake	3638.03	1,045,833	102

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

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

<u>Agency</u>	<u>Inflows</u>	<u>Percent of Normal</u>
USBR	83.2	26

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

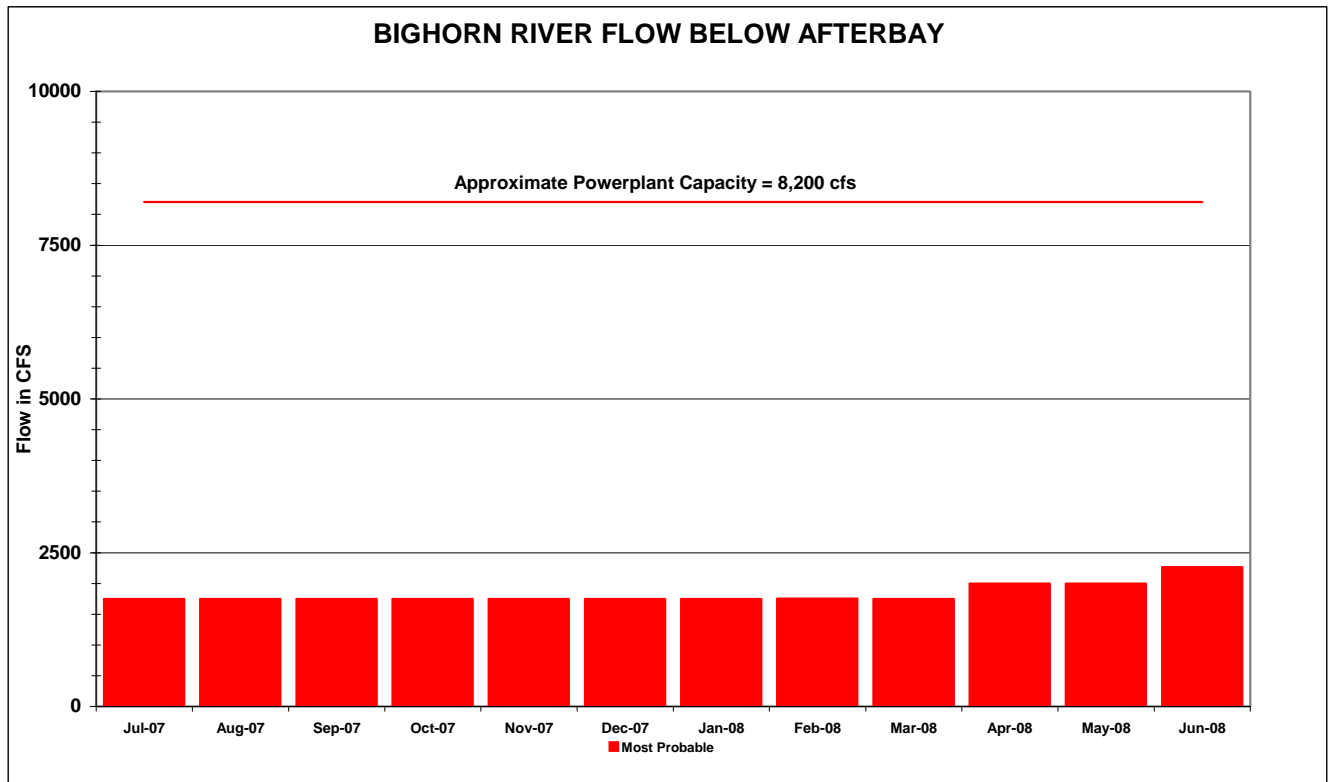
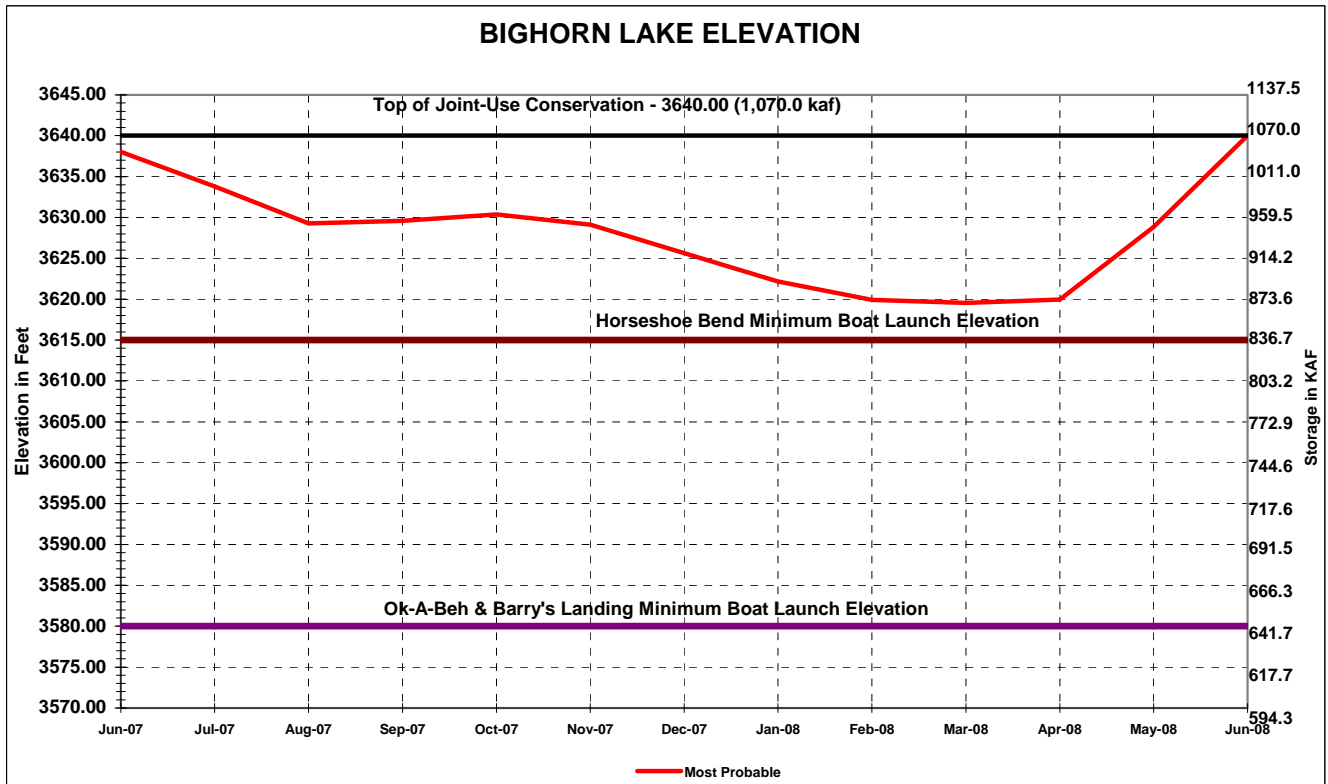
DATA UNAVAILABLE

BHXAOP V1.12 Run: 09-Jul-2007 11:36
 Based on Most Probable Inflow Forecast

BIGHORN LAKE MONTHLY OPERATIONS

Bighorn Reservoir		Initial Cont 1045.8 kaf Elev 3638.03 ft				Maximum Cont 1328.4 kaf Elev 3657.00 ft				Minimum Cont 493.6 kaf Elev 3547.00 ft				Total
	2007	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Boysen Release	kaf	73.2	66.4	45.5	30.7	23.8	24.6	24.6	23.0	24.6	44.6	67.6	69.9	518.5
Boysen Release	cfs	1190	1080	765	499	400	400	400	400	400	750	1099	1175	
Buffalo Bill Riv Flo	kaf	70.4	63.0	50.0	18.4	8.9	9.2	9.2	8.6	9.2	37.9	83.0	101.8	469.6
Buffalo Bill Riv Flo	cfs	1145	1025	840	299	150	150	150	150	150	637	1350	1711	
Station Gain	kaf	-60.4	-44.7	26.1	66.1	54.9	38.1	40.6	47.4	66.6	36.0	54.5	90.3	415.5
Monthly Inflow	kaf	83.2	84.7	121.6	115.2	87.6	71.9	74.4	79.0	100.4	118.5	205.1	262.0	1403.6
Monthly Inflow	cfs	1353	1378	2044	1874	1472	1169	1210	1373	1633	1991	3336	4403	
Turbine Release	kaf	131.0	130.1	118.7	107.4	99.9	103.3	103.3	96.7	103.3	115.4	129.8	140.5	1379.4
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	131.0	130.1	118.7	107.4	99.9	103.3	103.3	96.7	103.3	115.4	129.8	140.5	1379.4
Total Release	cfs	2131	2116	1995	1747	1679	1680	1680	1681	1680	1939	2111	2361	
Spring Flow	kaf	4.3	4.3	4.2	4.3	4.2	4.3	4.3	4.0	4.3	4.2	4.3	4.2	50.9
Irrigation Reqmnt	kaf	27.7	26.8	18.8	4.1	0.0	0.0	0.0	0.0	0.0	0.6	11.1	10.0	99.1
Afterbay Rels	kaf	135.3	134.4	122.9	111.7	104.1	107.6	107.6	100.7	107.6	119.6	134.1	144.7	1430.3
Afterbay Rels	cfs	2200	2186	2065	1817	1749	1750	1750	1751	1750	2010	2181	2432	
River Release	kaf	107.6	107.6	104.1	107.6	104.1	107.6	107.6	100.7	107.6	119.0	123.0	134.7	1331.2
River Release	cfs	1750	1750	1749	1750	1749	1750	1750	1751	1750	2000	2000	2264	
Min Release	kaf	107.6	107.6	104.1	107.6	104.1	107.6	107.6	100.7	107.6	119.0	123.0	119.0	1315.5
End-Month Targets	kaf	1070.0												1070.0
End-Month Content	kaf	998.0	952.6	955.5	963.3	951.0	919.6	890.7	873.0	870.1	873.2	948.5	1070.0	
End-Month Elevation	ft	3633.79	3629.27	3629.58	3630.39	3629.10	3625.63	3622.17	3619.92	3619.54	3619.95	3628.84	3640.00	
Net Change Content	kaf	-47.8	-45.4	2.9	7.8	-12.3	-31.4	-28.9	-17.7	-2.9	3.1	75.3	121.5	24.2
Yellowtail Power	2007	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Turbine Release	kaf	131.0	130.1	118.7	107.4	99.9	103.3	103.3	96.7	103.3	115.4	129.8	140.5	1379.4
Generation	gwh	52.947	51.821	46.956	42.560	39.559	40.611	40.197	37.323	39.724	44.379	50.608	56.566	543.251
End-Month Power Cap	mw	281.3	276.9	277.2	278.0	276.8	273.5	270.2	268.1	267.8	268.2	276.5	287.5	
% Max Gen		25	24	23	20	19	19	19	19	19	21	24	27	
Ave kwh/af		404	398	396	396	396	393	389	386	385	385	390	403	394
Upstream Generation	gwh	27.126	24.324	19.144	7.961	3.581	3.730	3.747	3.525	3.814	14.564	27.954	28.265	167.735
Total Generation	gwh	80.073	76.145	66.100	50.521	43.140	44.341	43.944	40.848	43.538	58.943	78.562	84.831	710.986

BIGHORN LAKE



WATER YEAR 2007