

**Palisades Powerplant
Palisades Project**

Ancillary Services

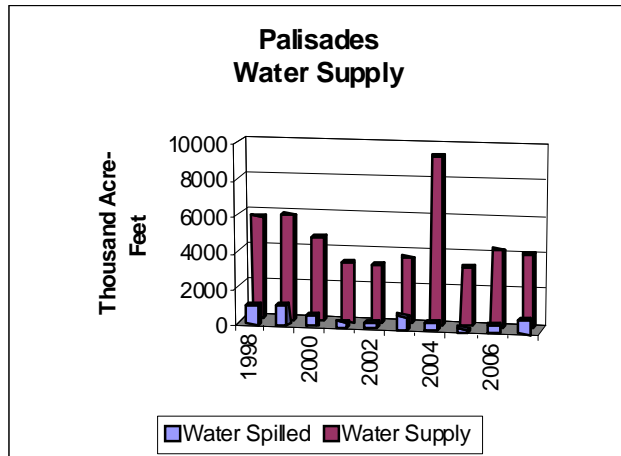
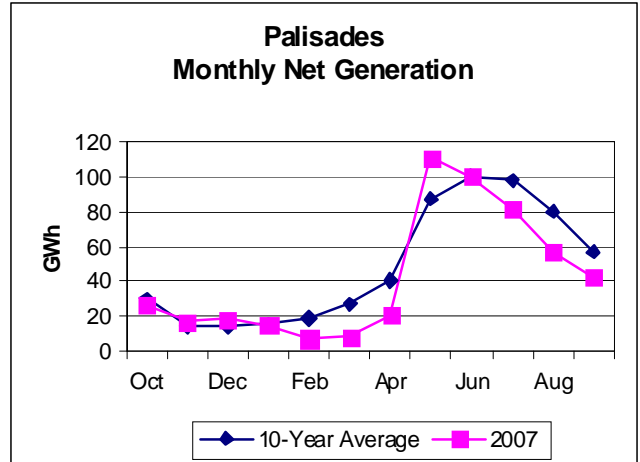
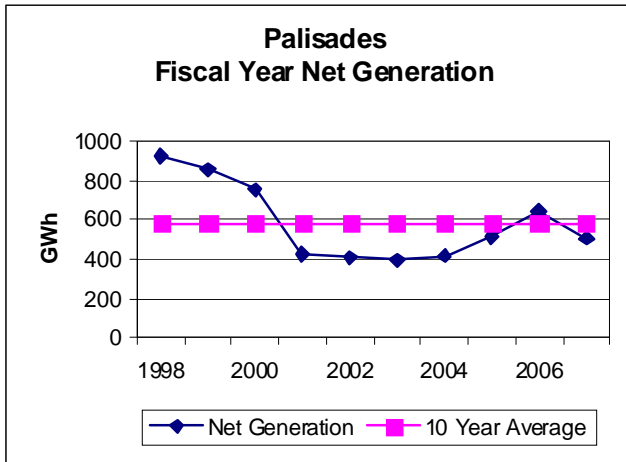
Palisades Ancillary Services	
Spinning Reserve	Yes
Non-Spinning Reserve	Yes
Replacement Reserve	Yes
Regulation/Load Following	Yes
Black Start	Yes
Voltage Support	Yes

Generators

Palisades Generators			
Existing Number and Capacity			
Unit #	Original Capacity (kW)	Capacity Increased (kW)	Present Capacity (kW)
1	28,500	15,641	44,141
2	28,500	15,641	44,141
3	28,500	15,641	44,141
4	28,500	15,641	44,141
4 units	114,000	62,564	176,564

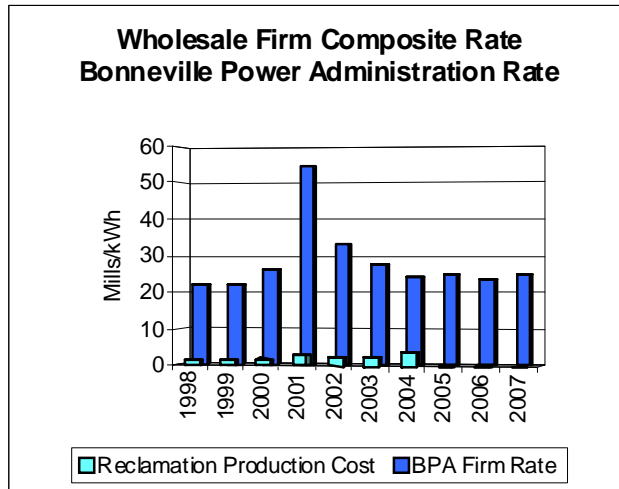
**Palisades Powerplant
100-500 MW**

Generation

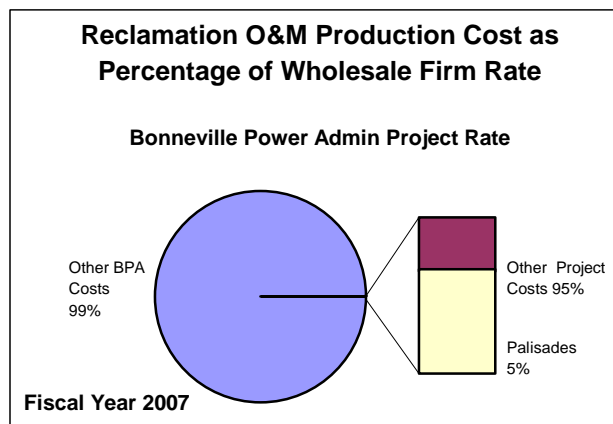


Prime Laboratory Benchmarks

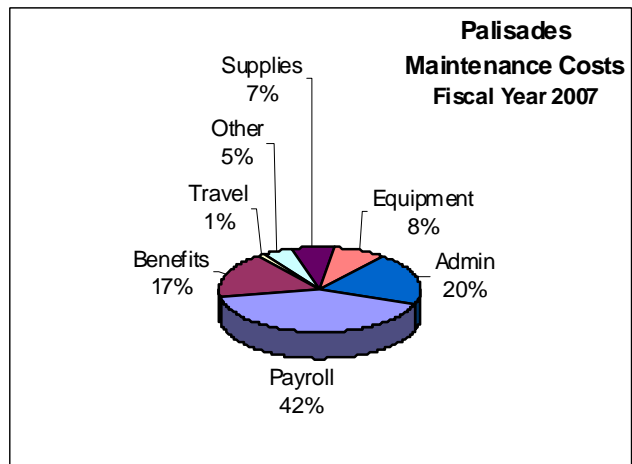
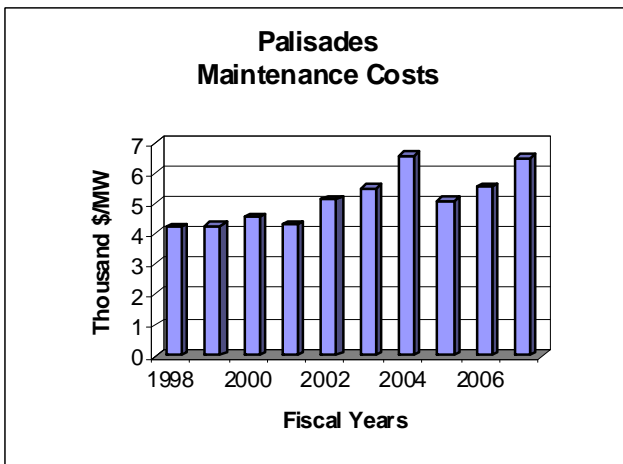
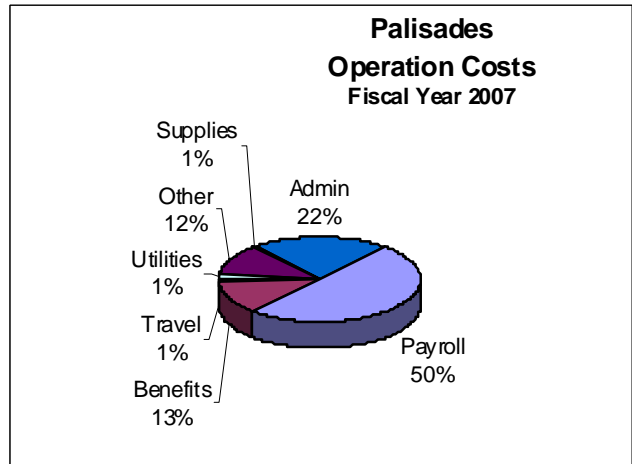
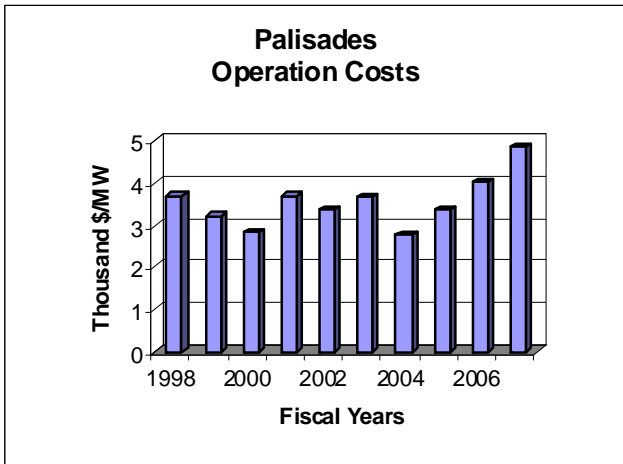
**Benchmark 1
Wholesale Firm Rate**



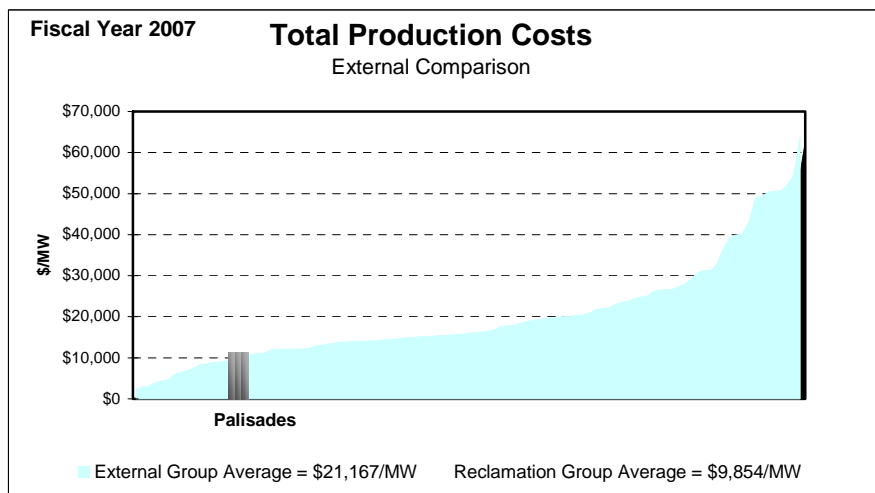
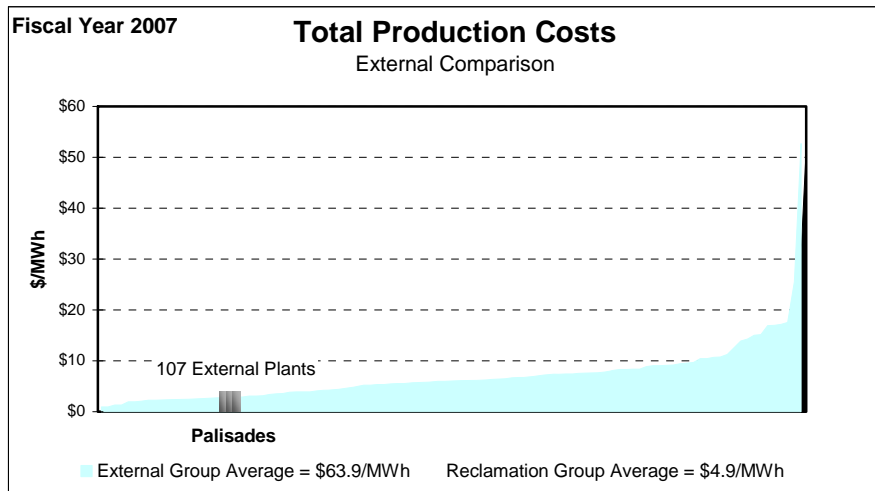
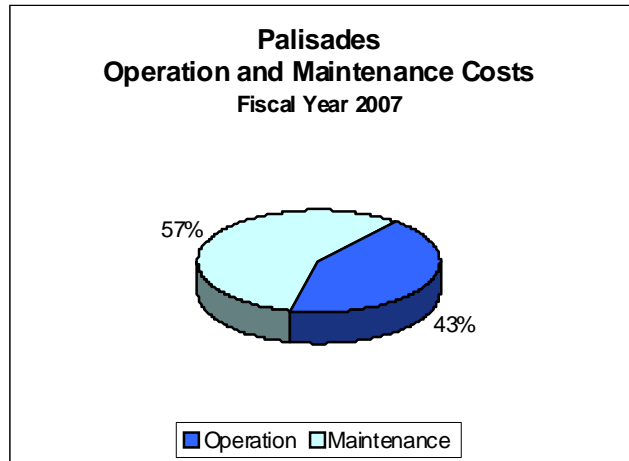
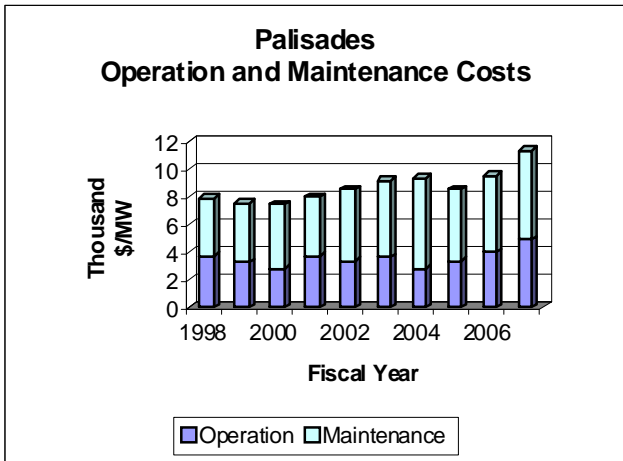
**Benchmark 2
Reclamation's Production Cost as Percentage of Wholesale Firm Rate**



**Benchmark 3
Production Cost**

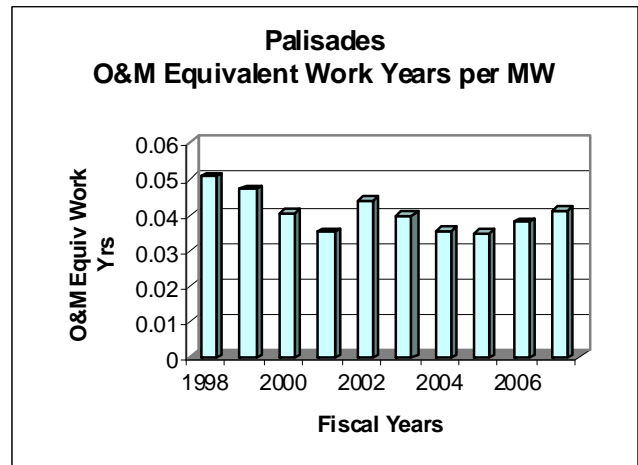
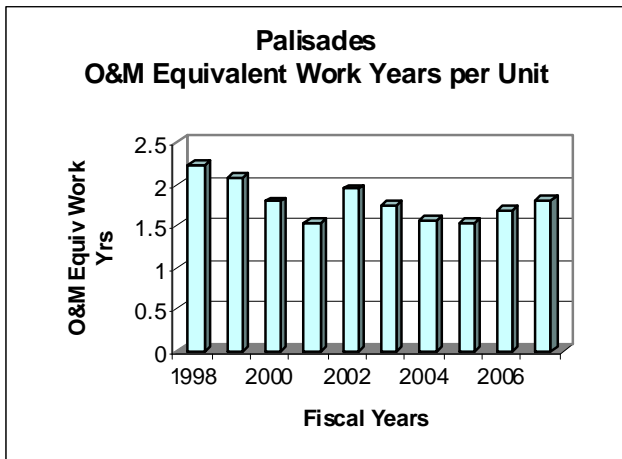
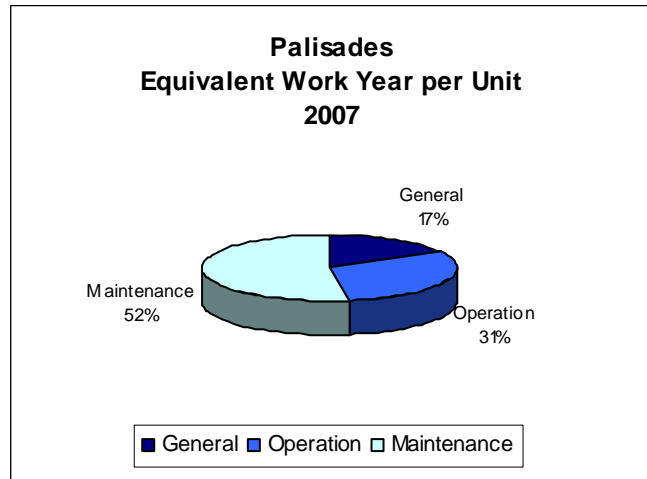
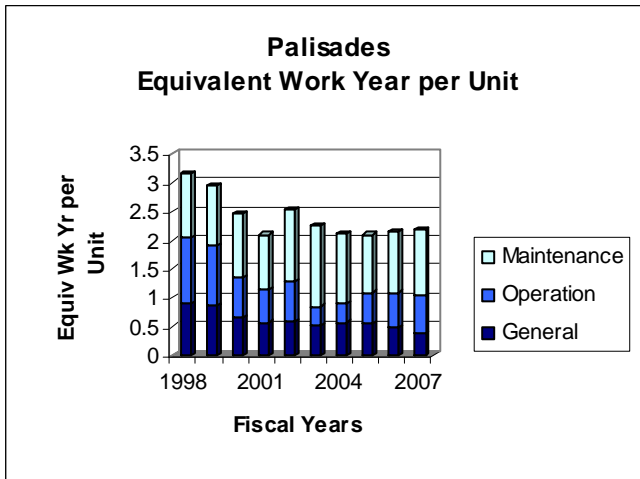


Benchmark 3
Production Cost

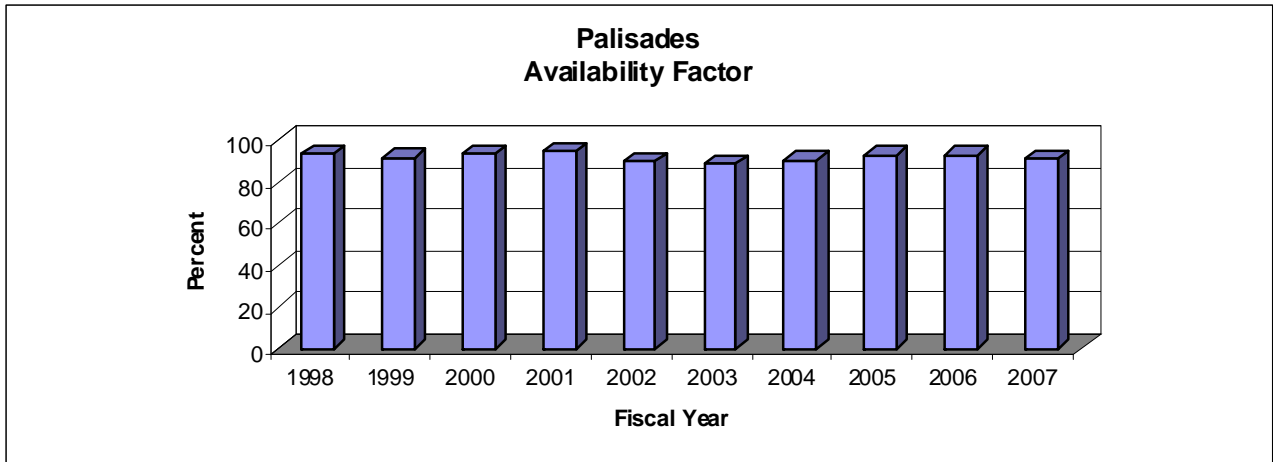


**Benchmark 4
Workforce Deployment**

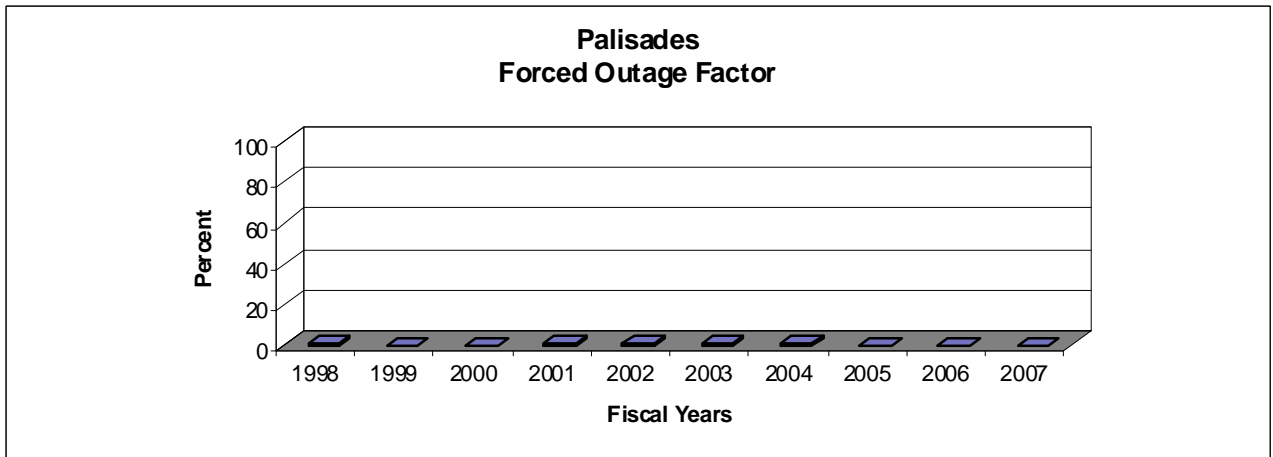
Palisades FY 2007 Equivalent Work Staffing Year Levels						
	Equivalent Work Year Staffing Charged to Powerplant	Leave Additive	Denver and Washington Equivalent Work Year Staffing Additive	Total Equivalent Work Year Allocated to Powerplant	Total Equivalent Staffing Work Year per Generating Unit	Total Equivalent Work Year Staffing per Megawatt
General	1.27	0.13	0.07	1.48	0.37	0.01
Operation	2.42	0.26	0.00	2.68	0.67	0.02
Maintenance	4.15	0.44	0.00	4.59	1.15	0.03
Total Staffing	7.84	0.83	0.07	8.75	2.19	0.05



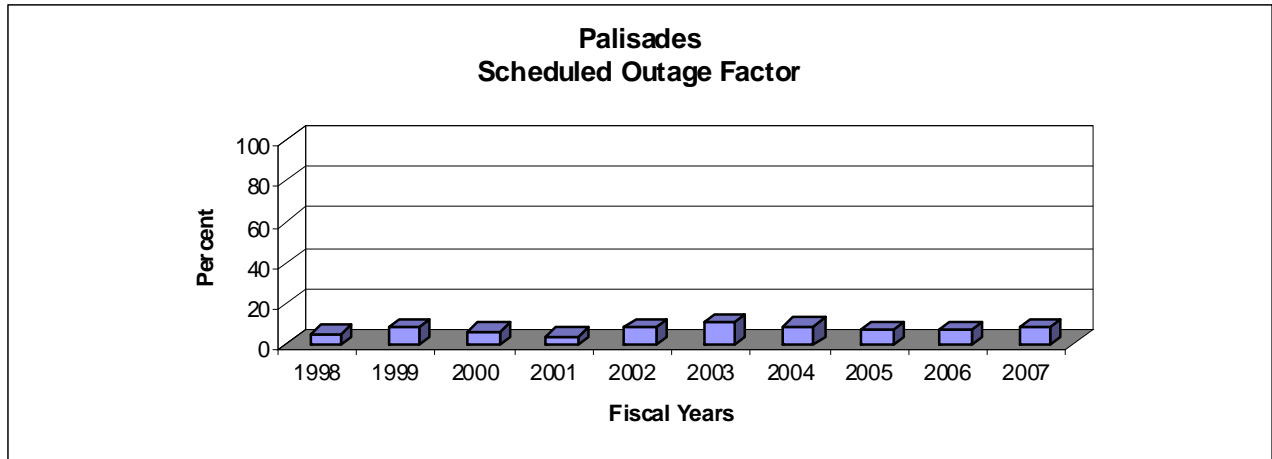
**Benchmark 5
Availability Factor**



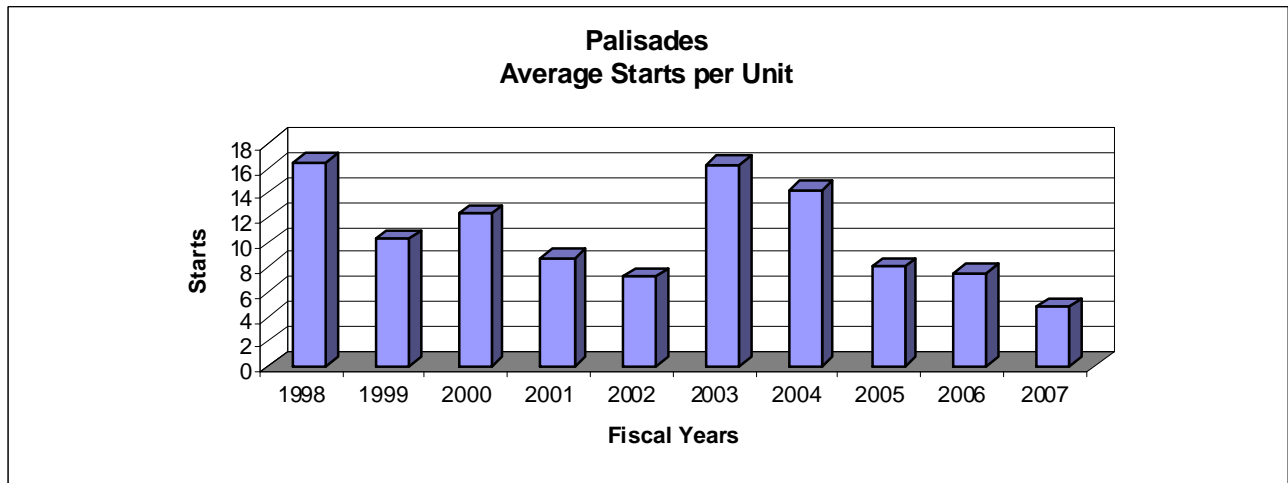
**Benchmark 6
Forced Outage Factor**



**Benchmark 7
Scheduled Outage Factor**



Starts



**Palisades Powerplant
100-500 MW**

Benchmark Data Comparison					
Fiscal Year 2007	Palisades Powerplant	Reclamation Average 100-500 MW Group	Total Reclamation Average	Industry Average	Best Performers
Wholesale Firm Rate Mills/kWh	24.8	Not Applicable	*22.45	Not Available	Not Available
Production Cost as Percentage of Wholesale Firm Rate	0.07%	Not Applicable	12.1%	Not Applicable	Not Applicable
O&M Cost \$/MWh	3.96	4.44	2.76	***63.88	1.00
O&M Costs \$/MW	11,362	10,502	7,847	***21,167	2,897
O&M Equip Work Year per MW	0.04	0.04	0.03	Not Available	0.00
Availability Factor	91.1	83.5	82.3	**88.64	98.5
Forced Outage Factor	0.1	1.2	2.6	**2.61	0.0
Scheduled Outage Factor	8.8	15.4	15.1	**8.74	0.0

*Weighted by Net Generation

**2006 NERC Average

***Energy Information Administration Data