

Yellowtail Powerplant Pick-Sloan Missouri Basin Program

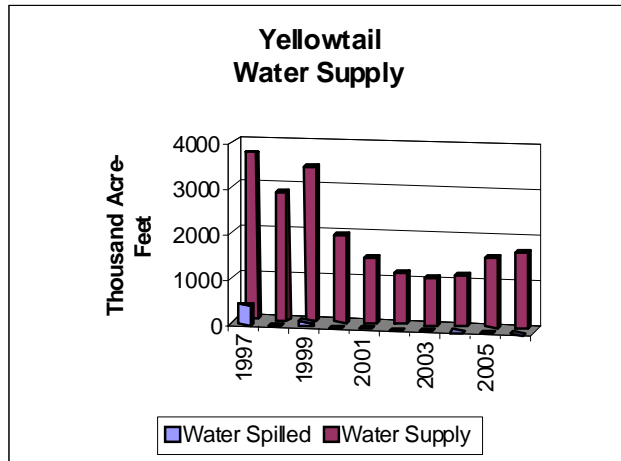
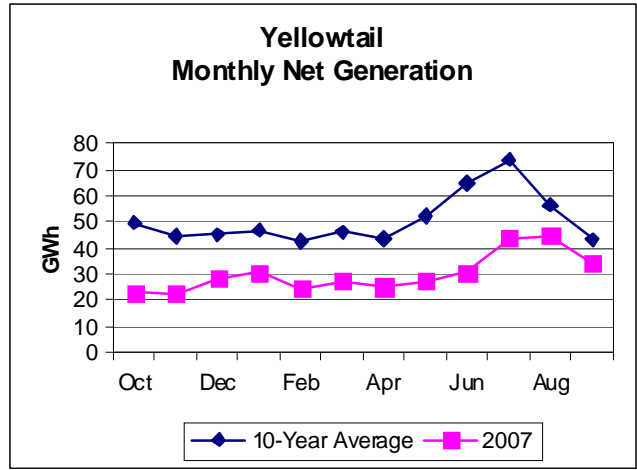
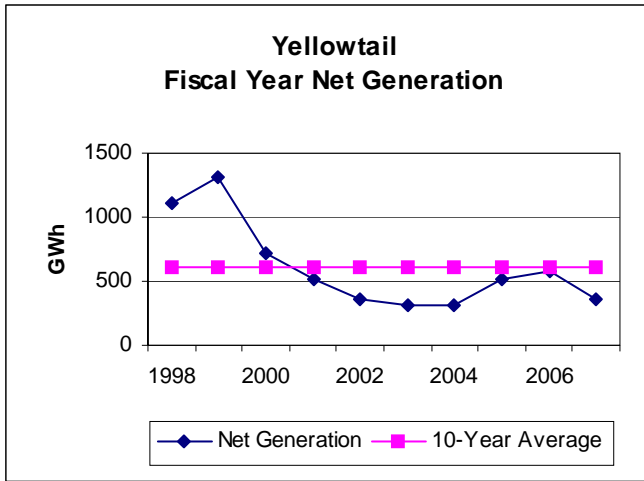
Ancillary Services

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

Generators

| Yellowtail Generators | | | |
|------------------------------|---------------------------|----------------------------|-----------------------------|
| Existing Number and Capacity | | | |
| Unit # | Original Capacity (kW) | Capacity Increased (kW) | Present Capacity (kW) |
| 1 | 62,500 | - | 62,500 |
| 2 | 62,500 | - | 62,500 |
| 3 | 62,500 | - | 62,500 |
| 4 | 62,500 | - | 62,500 |
| 4 units | 250,000 | - | 250,000 |

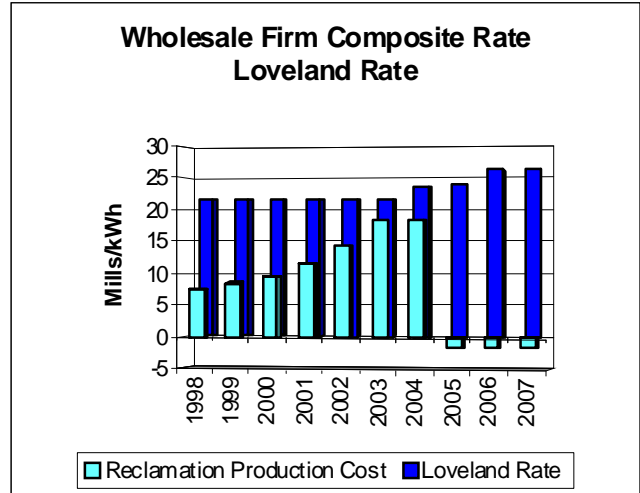
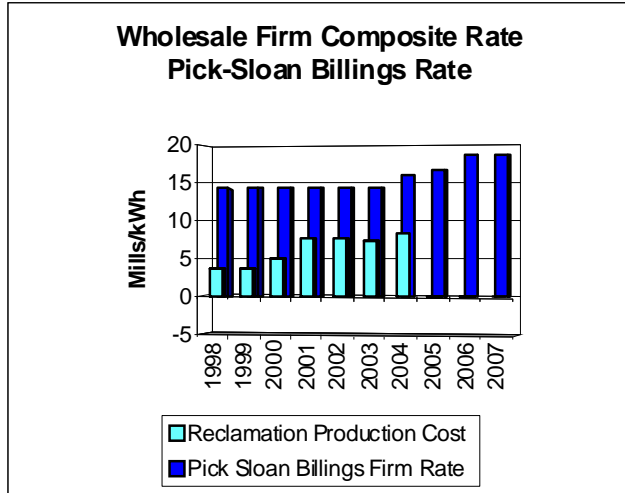
Generation



Drought conditions encountered for the sixth consecutive year.

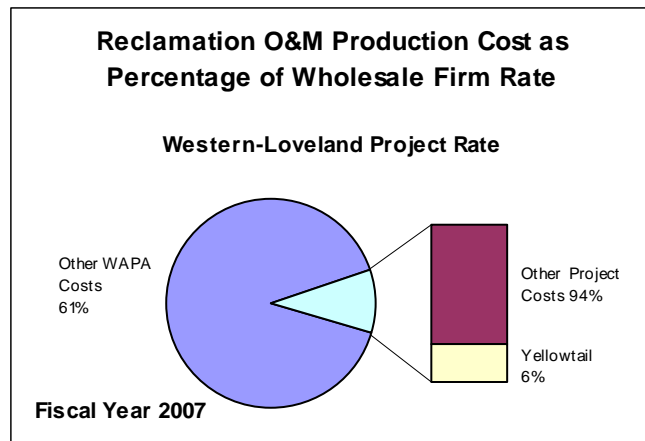
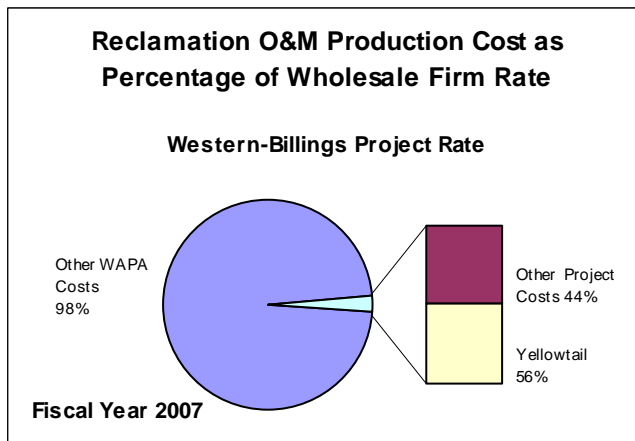
Prime Laboratory Benchmarks

Benchmark 1 Wholesale Firm Rate



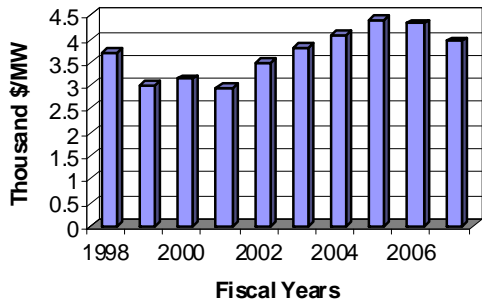
Yellowtail Units 1 and 2 are part of the Pick-Sloan Billings Rate and Yellowtail Units 3 and 4 are part of the Pick-Sloan Loveland Rate.

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

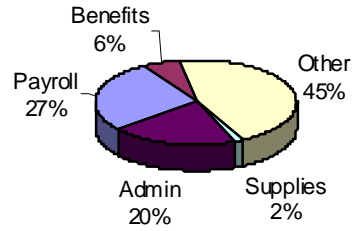


Benchmark 3 Production Costs

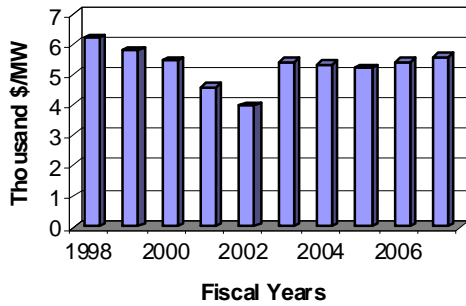
**Yellowtail
Operation Costs**



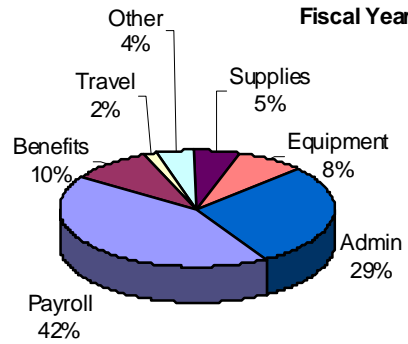
**Yellowtail
Operation Costs
Fiscal Year 2007**



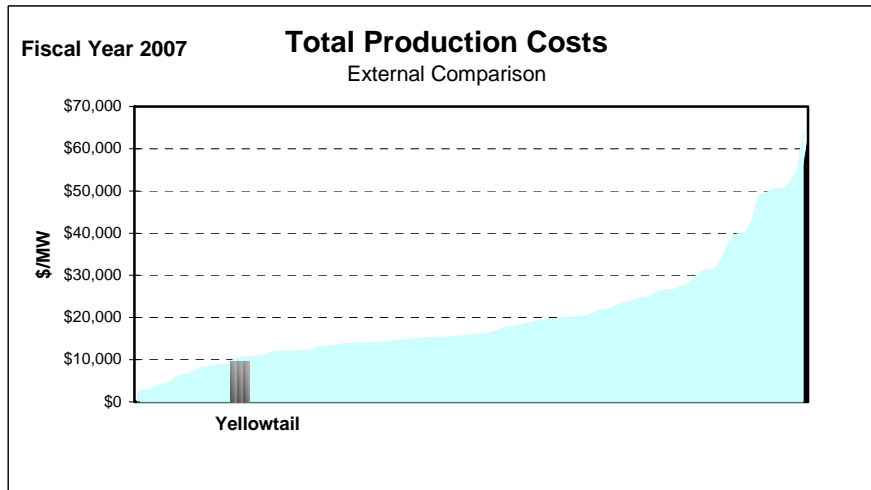
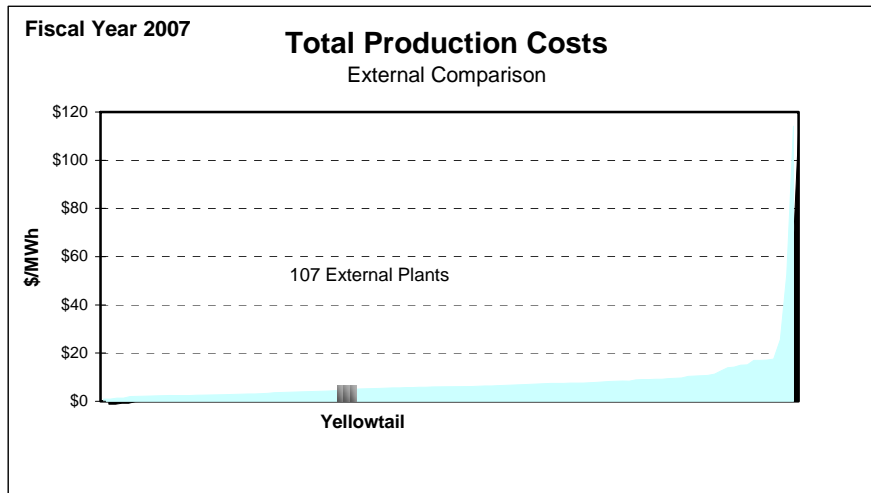
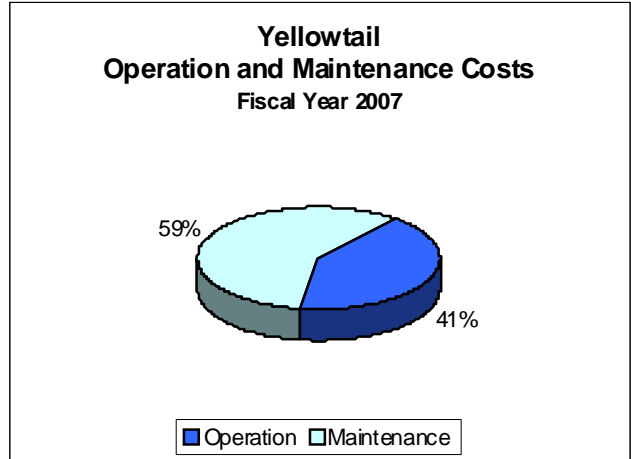
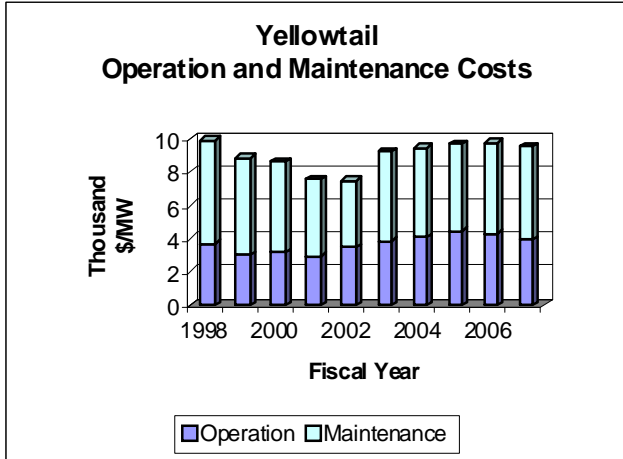
**Yellowtail
Maintenance Costs**



**Yellowtail
Maintenance Costs
Fiscal Year 2007**

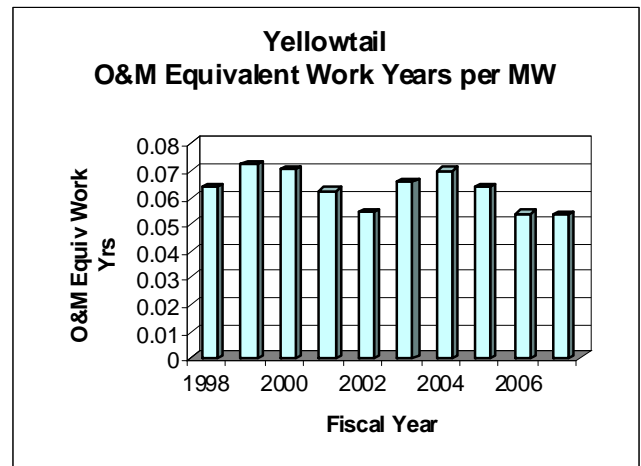
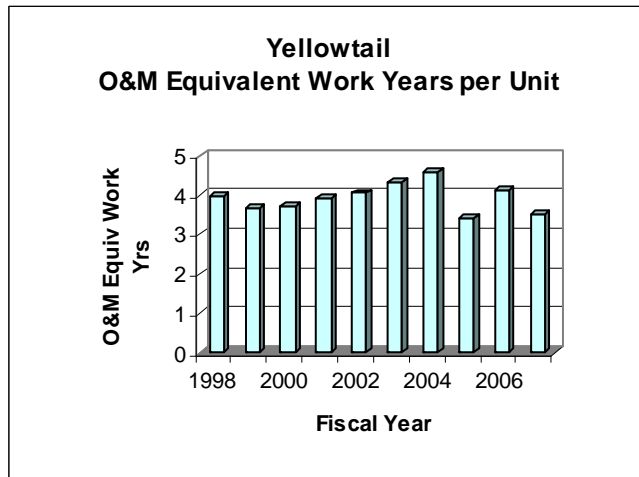
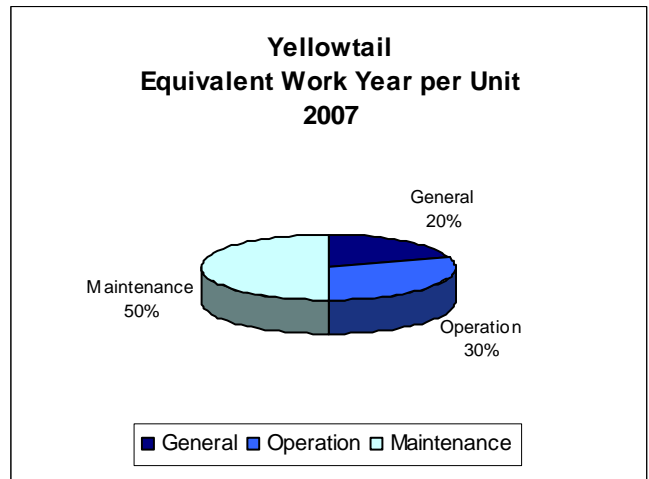
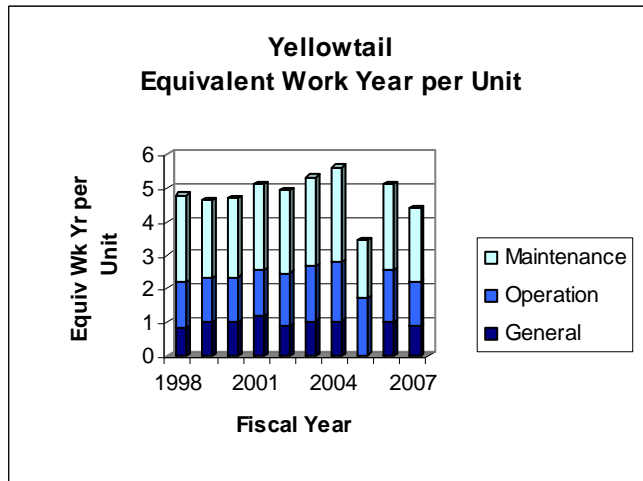


Benchmark 3 Production Costs

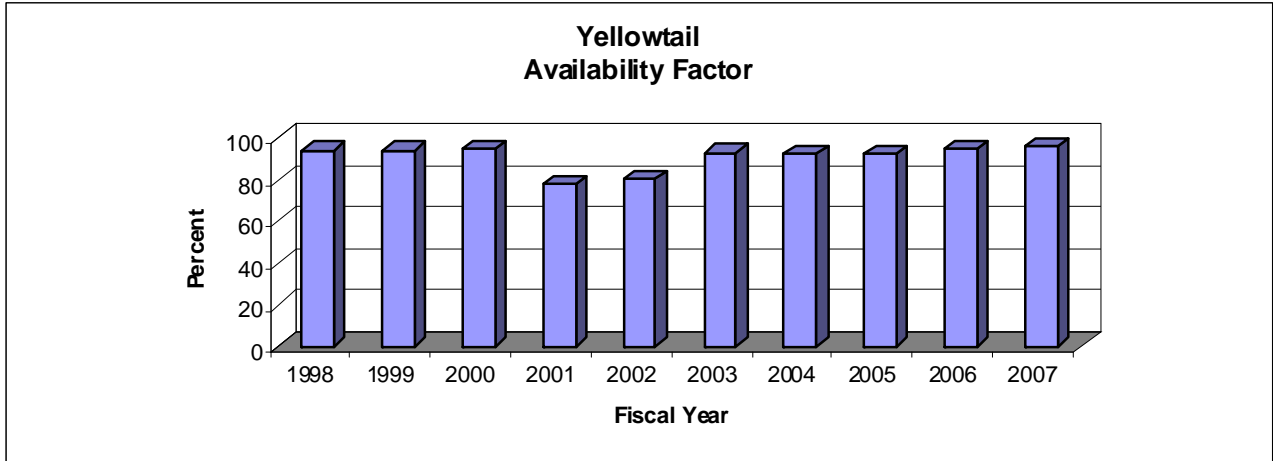


Benchmark 4 Workforce Deployment

| Yellowtail 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 | 3.15 | 0.36 | 0.07 | 3.57 | 0.89 | 0.01 |
| Operation | 4.70 | 0.53 | 0.00 | 5.23 | 1.31 | 0.02 |
| Maintenance | 7.35 | 0.83 | 0.00 | 8.18 | 2.20 | 0.03 |
| Total Staffing | 15.20 | 1.72 | 0.07 | 16.98 | 4.40 | 0.07 |

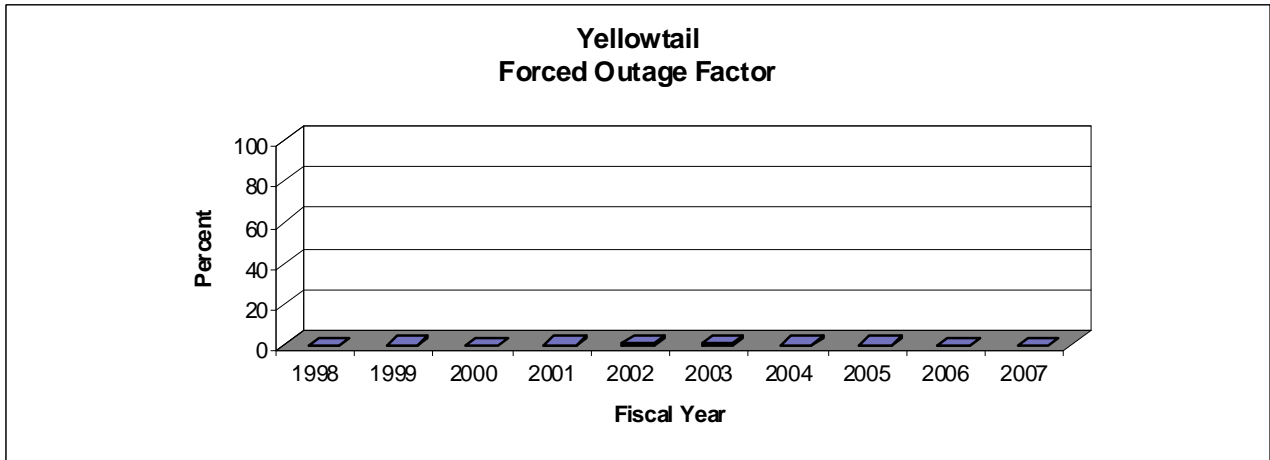


**Benchmark 5
Plant Availability Factor**

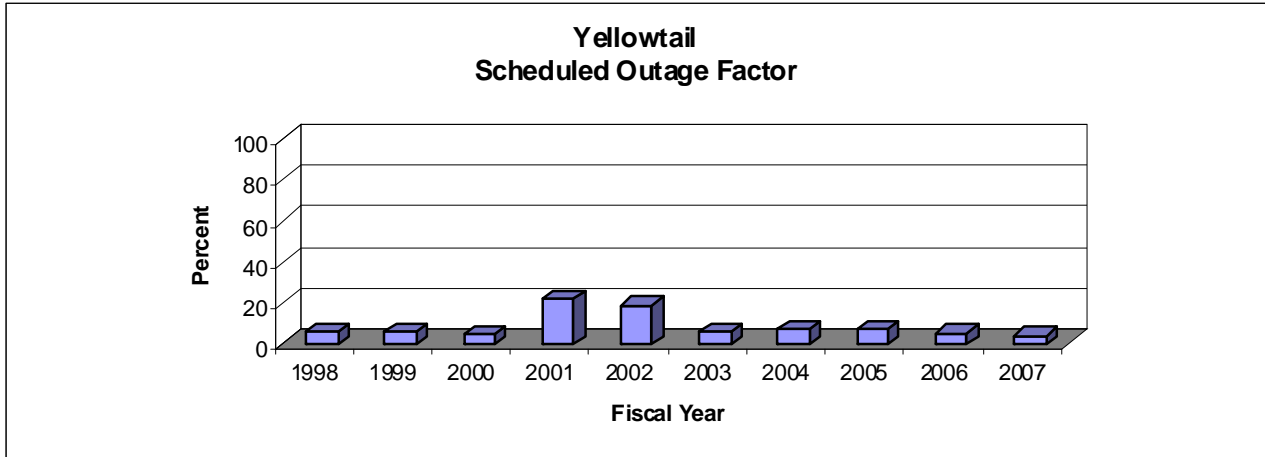


FY-2001 and FY-2002 – Extended outages occurred for replacing of the turbine runners on Units 3 and 4, and for replacing the governors and excitation systems on Units 1, 2, 3, and 4.

**Benchmark 6
Plant Forced Outage Factor**

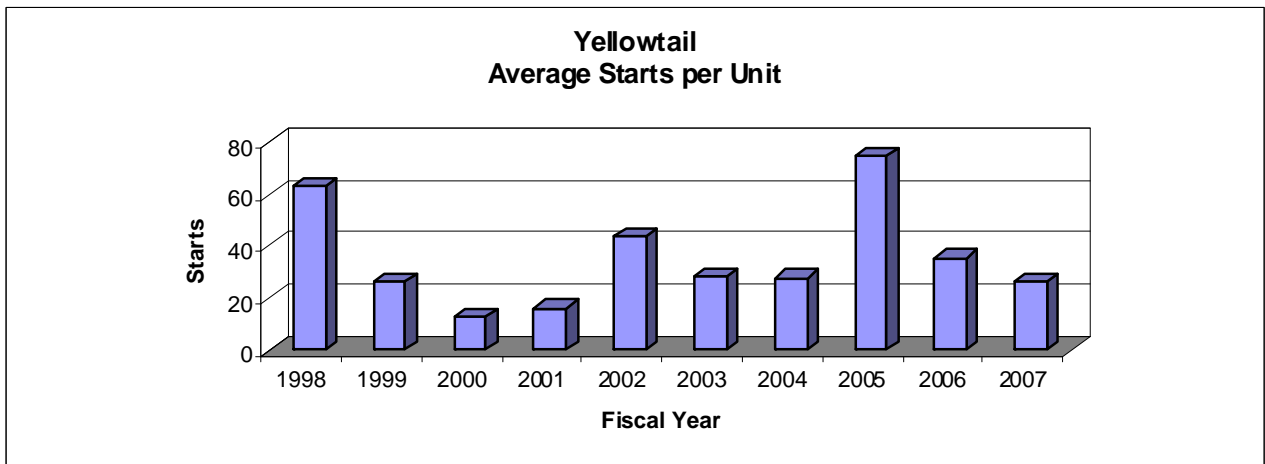


**Benchmark 7
Plant Scheduled Outage Factor**



FY-2001 and FY-2002 – Extended outages occurred for replacing the turbine runners on Units 3 and 4, and for replacing the governors and excitation systems on Units 1, 2, 3, and 4.

Unit Starts



| Benchmark Data Comparison | | | | | |
|---|------------------------------------|---|----------------------------------|-------------------------|------------------------|
| Fiscal Year 2007 | Yellowtail Powerplant | Reclamation Average 100-500 MW Group | Total Reclamation Average | Industry Average | Best Performers |
| Wholesale Firm Rate Mills/kWh | Units 1&2 16.5 Units 3&4 23.9 | Not Applicable | *22.45 | Not Available | Not Available |
| Production Cost as Percentage of Wholesale Firm Rate | Units 1&2 1.28% Units 3&4 2.77% | Not Applicable | 12.1% | Not Applicable | Not Applicable |
| O&M Cost \$/MWh | 6.59 | 4.44 | 2.76 | ***63.88 | 1.00 |
| O&M Costs \$/MW | 9,536 | 10,502 | 7,847 | ***21,167 | 2,897 |
| O&M Equip Work Year per MW | 0.05 | 0.04 | 0.03 | Not Available | 0.0 |
| Availability Factor | 95.8 | 83.5 | 82.3 | **88.64 | 98.5 |
| Forced Outage Factor | 0.1 | 1.2 | 2.6 | **2.61 | 0.0 |
| Scheduled Outage Factor | 4.1 | 15.4 | 15.1 | **8.74 | 0.0 |

*Weighted by Net Generation

**2006 NERC Average

***Energy Information Administration Data

The Bighorn River Basin experienced its sixth consecutive year of drought conditions in FY-2005, which resulted in below average generation.

Yellowtail Units 1 and 2 are part of the Pick-Sloan Billings Rate and Yellowtail Units 3 and 4 are part of the Pick-Sloan Loveland Rate.