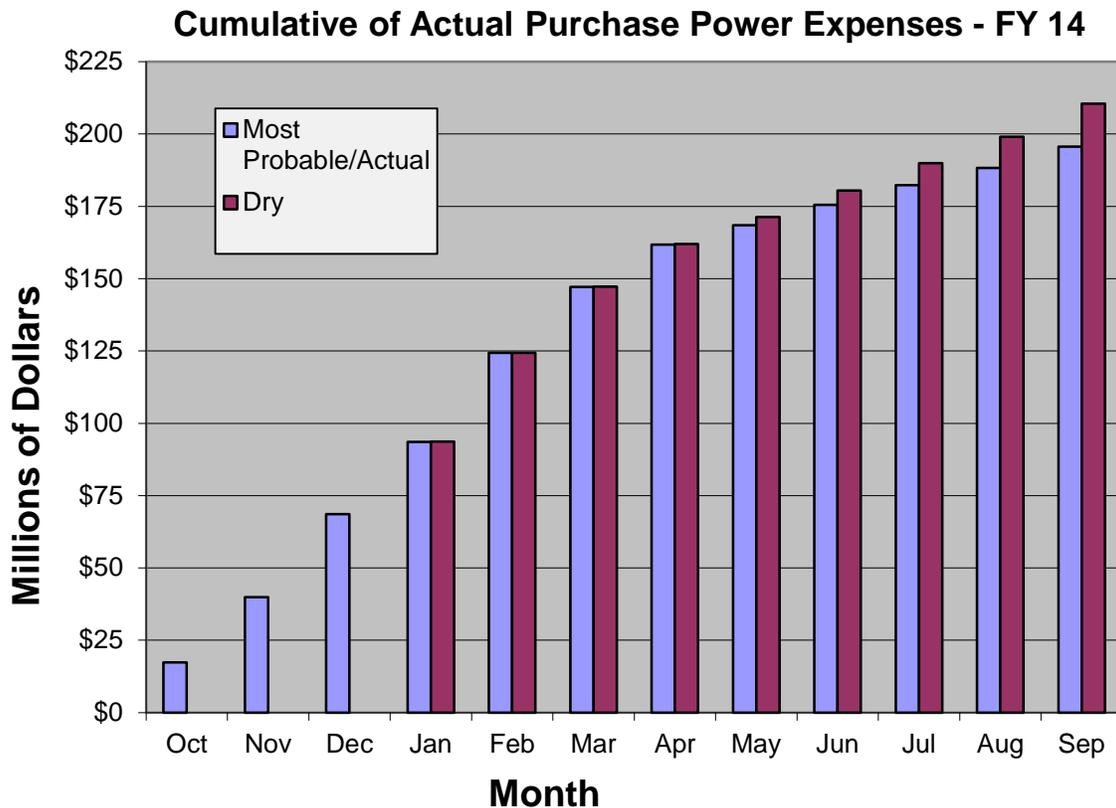


Hydro Conditions and Purchase Power Monthly Outlook January 2014

Western Summary

- The most probable forecast of net generation for FY 2014 is 22,196 gigawatt-hours (GWh) or 82 percent of average. October through December generation was 71 percent of average.
- The lower level forecast of generation for FY 2014 is 21,013 GWh or 77 percent of average.
- The amount of power purchased for FY 2014 is expected to range between 4,274 and 4,659 GWh.
- The average price for purchase power across all hydro projects and off-peak and on-peak periods is expected to be \$46/MWh. This price compares to \$45/MWh last year.
- Purchase power expenses for FY 2014 are forecast to range between \$196 and \$210 million – compared to \$182 million in FY 2013.
- October through December purchases totaled \$69 million – compared to \$53 million for the same period last year.



Upper Great Plains Region

Storage: December inflows totaled 162.5 MAF or 76 percent of average due to colder than normal temperatures. This inflow volume was a new record low for the month of December. The anticipated inflow for the April through July period is forecast to be 1,750.4 KAF or 101 percent of the 30 year average. Based upon the current water supply forecast, releases out of Canyon Ferry to the Missouri River below Holter Dam will be maintained near 3,100 cfs. Streamflows into Bighorn Lake during December were 92 percent of average. On January 1, the NRCS measured the snow water content of the mountain snowpack in the Bighorn Basin at 110 percent of average. Based on the January 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the April-July runoff into Bighorn Lake is expected to equal 1,143,200 acre-feet (107 percent of average).

As of January 21, 2014, the storage level at [Canyon Ferry](#) was 1,482,675 acre feet and the active conservation pool is 78.4 percent full. Storage at [Yellowtail](#) is 933,113 acre feet and the active conservation pool is 91.4 percent full.

COE: Colder weather throughout the system prevented the COE from reaching minimum winter release levels. Snowpack above Ft. Peck is above normal and has reached 107 percent while above Garrison it is 114 percent above normal. Runoff is now estimated to be 99 percent of normal. Forecast energy was raised to 7,508 GWh, up somewhat from last month. Average is 10,027 GWh.

Snow pack: The January 1 forecasted runoff for calendar year 2014 is 26.1 MAF. This runoff would be 110 percent of normal runoff.

FY Generation: The six main stem power plants generated 491 million kilowatt hours of electricity in December. Total energy production for 2013 was earlier forecasted to reach 8.0 billion kWh, but has been reduced to around 7.6 billion kWh. The long-term average is approximately 10 billion kWh.

Purchased Power: Extreme cold weather has caused the purchased power price to increase dramatically. Temperatures below zero and wind chills in dangerously high levels throughout the mid-section of the county caused gas prices to increase. Prices for power are in the upper thirties for off peak power and upwards of seventy dollars for on peak power. Addendum, during the last week in January, a pipeline was damaged which sent the price of natural gas skyrocketing, to the effect of seeing prices increase to \$90 on-peak and \$45 off-peak.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

Drought conditions remain in a few parts of the LAP area but LAP is now drought free on the whole and that is a significant improvement over last January. The snowpack was near or above average starting the month and remains so as of this writing. Heavy fall precipitation caused record reservoir inflows in some areas and the soil moisture and stream bank storage going into this winter is also an improvement over last year. The overall LAP reservoir storage at the end of December

was still below average with gains in the Colorado-Big Thompson Project (CBT) and significant losses in the North Platte Basin since the end of last January. The latest National Weather Service forecast indicates February through April temperatures and precipitation will just as likely be above average as below average in Colorado and Wyoming.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Snowpack inches snow water equivalent			Actual Reservoir Inflow To-Date 1,000 acre-feet		
	end of December	average	% of average	beginning of January	average	% of average	October - December	average	% of average
CBT	607.4	626.2	97%	84.3	84.0	100%	91.0	58.7	155%
North Platte	951.5	1,381.7	69%	155.8	130.8	119%	114.3	100.4	114%
Bighorn	2,020.7	1,822.0	111%	125.2	117.7	106%	282.4	201.2	140%
TOTAL	3,579.6	3,829.9	93%	365.3	332.5	110%	487.7	360.3	135%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	January projection	average	% of average	January projection	average	% of average	January projection	average	% of average
Winter 13-14	520.8	718.0	73%	517.4	718.0	72%	535.4	718.0	75%
Summer 14	1,274.5	1,217.8	105%	963.6	1,217.8	79%	1,423.0	1,217.8	117%
TOTAL 2014	1,795.3	1,935.8	93%	1,481.0	1,935.8	77%	1,958.4	1,935.8	101%

LAP generation was below average in FY 2013 with the winter generation well below average. Extended scheduled unit outages required some plant bypass releases in the North Platte Basin last winter. LAP generation was below average all summer with significant shortfalls in August and September due to the Grand Lake water clarity operation and then the historic flooding in Colorado. The Adams Tunnel import and associated CBT generation was curtailed for a six week period starting on June 23 as a means to improve the water clarity in Grand Lake. Flooding along Colorado's Front Range in mid-September forced Reclamation to again curtail Adams Tunnel imports and CBT generation to avoid adding West Slope water to damaging flows in the Big Thompson River. No surplus firm generation was available for LAP customers at the regular LAP energy rate.

The winter season generation is expected to be about 73 percent of average and seasonal energy purchases have been arranged to support LAP firm electric service commitments. There was an additional extended CBT outage due the flooding in September. Reclamation drained Lake Estes and curtailed all imports through Adams Tunnel through early December to allow for the removal of sediment and debris washed into the Lake by the flood. Imports resumed in mid-December and heavier Adams Tunnel imports later in the winter will shift normal October and November CBT generation into February and March. There will also be minimum reservoir releases and associated generation in the North Platte Basin due to depleted reservoir storage.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 14,494,000 acre feet, which is about 47 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (December, 2013) were about 84 percent of average. Lake Powell elevation currently is about 3,582 feet, 118 feet from maximum reservoir level, and about 92 feet from the minimum generation level.

The forecast for the 2014 April to July water supply season for Lake Powell, issued by the Colorado Basin River Forecast Center, projects that the most probable (median) unregulated inflow volume will be 6.81 MAF (95 percent of average based on the period 1981-2010). The water year 2014 forecast increased by 560 KAF since last month. The winter snow accumulation season has started off near average (currently 96 percent of median); however, at this early point in the season, there is still significant uncertainty regarding the final snowpack and resulting runoff.

The April-July forecast ranges from a minimum probable of 4.0 MAF (56 percent of average) to a maximum probable of 10.2 MAF (142 percent of average). For reference, the 30-year April-July average is 7.16 MAF. There is a 10 percent chance that inflows could be higher than the maximum probable and a 10 percent chance they could be lower than the minimum probable. The Lake Powell operational tier for water year 2014 is the Mid-Elevation Release Tier with an annual release volume of 7.48 MAF.

Based on that inflow forecast, estimated SLCA/IP net generation for Fiscal Year 2014 is 3,784 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during the fiscal year 2014 are about \$54.9 million as compared to about \$17.7 million based on long-term median historical releases. Purchase power availability in the region is abundant and prices are reasonable for this time of year. Firming purchases for the last month have been in the upper \$30's on-peak and low \$30's off-peak, but have spiked for short periods during extreme weather events.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 14.481 MAF (14.434 MAF Nov-2013), 20.818 MAF (73-Year Historical Avg).

The Lake Mead end of December 2013 elevation was 1,106.73 feet (.37 feet higher than end of Nov 2013 elevation), or about 112.91 feet below full storage elevation of 1,219.64 feet and 56.73 feet above the minimum generation elevation for Hoover of 1,050 feet.

Lake Mead's elevation is projected to peak at 1109.31 ft in January of WY 2014 (13.01 feet below the WY 2013 peak elevation of 1122.32 feet), and drop to a minimum elevation of 1084.71 feet in September of WY 2014, a maximum fluctuation in lake elevation of 24.6 feet

The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The projected 2014 April – July unregulated inflow into Lake Powell is 6.81 MAF or 95 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 92 percent of average and the snowpack is 96 percent of the 30-year (1981-2010) median.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for December 2013 was 41 KAF. The projected side inflow into Lake Mead for WY2014 is 866 KAF which represents a 5 percent increase over last year's actual of 824 KAF, and represents 67 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5,268 GWh compared to 5,634 GWh (Historical Average). The projected Hoover and Parker-Davis generation for WY 2014 is 94 percent of the average historical generation.

Wholesale Power Market Conditions: The December market prices in the Desert Southwest averaged about \$43/MWh firm on-peak, \$40/MWh firm off-peak compared to \$33/MWh firm on-peak, \$26/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 4.04 million-acre-feet, compared to 7.527 MAF last year. Accumulated inflow for the water year-to-date is 13 percent of the 15-year average for Trinity, 43 percent for Shasta, 21 percent for Folsom and 52 percent for New Melones. None of the reservoirs is in flood control operations at this time.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. This water year started out with October recorded precipitation totaling 0.72 inches, which is 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, which is 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January is looking very dry though there is some precipitation in the forecast. As of January 24, January is at 0.22 inches or 2 percent of its average. The cumulative total at this time is 3.52 inches or 7 percent of the annual. December and January are the months with the highest average, with February very close. At the writing of this report, Sacramento has just ended 53 days without precipitation.

Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak April 1. Therefore, snow water equivalents are reported as a percentage of this average. As of January 24, the North is at 4 percent, the Central is at 8 percent and the South is at 8 percent of this average. The Sacramento River Index forecast of water supply based upon January 1 conditions is "critical" for the 90 percent exceedence as well as the 50 percent case. Calendar Year 2013 has been called the driest on record. Water Year 2014 would appear to be following suit.

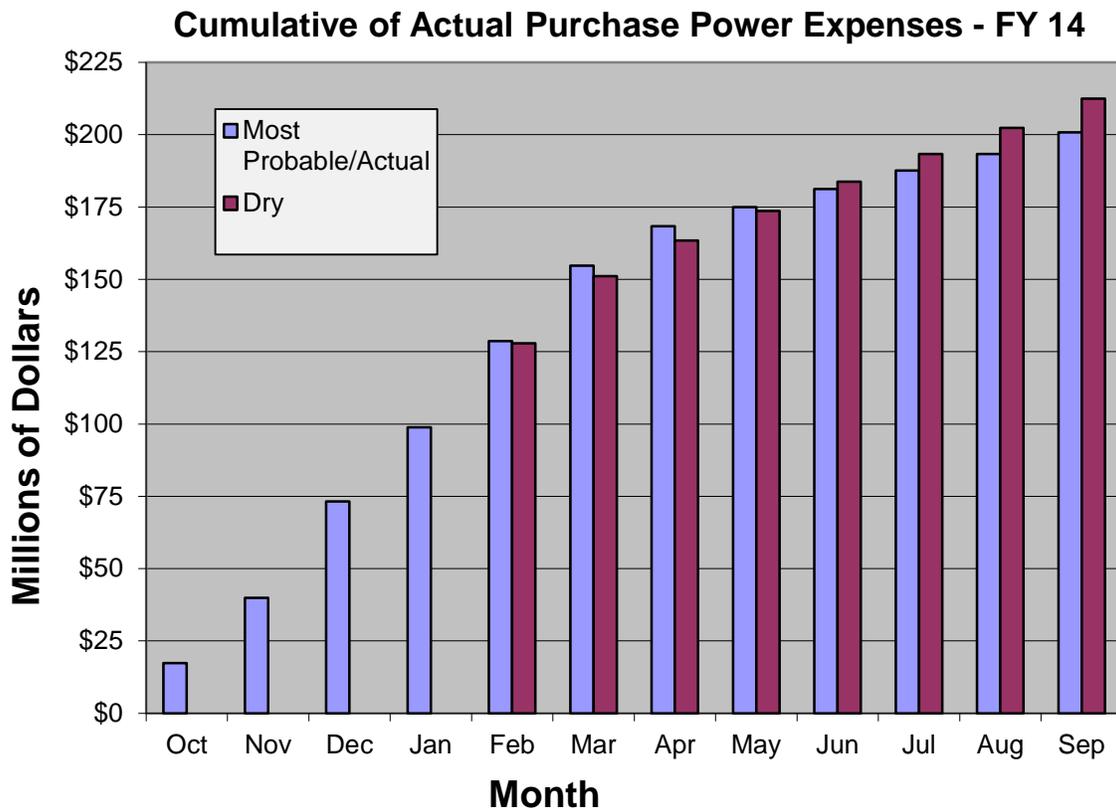
The average projection of net generation is again taken from the latest modeling using the update to our customers' "Green Book." This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past fiscal year ended at approximately 91 percent of that average.

Reclamation forecasts are based upon December 1 conditions, which were based upon water supply forecast of “critical” for the 90 percent exceedence and “dry” for the 50 percent exceedence. These forecasts would be 70 percent and 72 percent of this “Green Book” average net generation. Delta salinity has caused export pumping to be extremely low even while reservoir releases have increased.

Hydro Conditions and Purchase Power Monthly Outlook February 2014

Western Summary

- The most probable forecast of net generation for FY 2014 is 22,266 gigawatt-hours (GWh) or 82 percent of average. October through January generation was 73 percent of average.
- The lower level forecast of generation for FY 2014 is 21,257 GWh or 73 percent of average.
- The amount of power purchased for FY 2014 is expected to range between 4,214 and 4,505 GWh.
- The average price for purchase power across all hydro projects and off-peak and on-peak periods is expected to be \$48/megawatt-hours (MWh). This price compares to \$45/MWh last year.
- Purchase power expenses for FY 2014 are forecast to range between \$201 and \$213 million – compared to \$182 million in FY 2013.
- The most probable forecast of October through January purchase power expenses is \$99 million¹ – compared to \$74 million for the same period last year.



¹ At this time, actual Western-wide purchase power expenses are not available for January due to the lack of certain Western Regional data.

Upper Great Plains Region

Storage: The anticipated inflow for the April through July period is forecast to be 1,570.5 thousand acre-feet (kAF) or 91 percent of the 30 year average. Based upon the current water supply forecast, releases out of Canyon Ferry to the Missouri River below Holter Dam will be maintained near 3,100 cubic feet per second. Streamflows into Bighorn Lake during January were 92 percent of average. On February 1, the NRCS measured the snow water content of the mountain snowpack in the Bighorn Basin at 109 percent of average. Based on the February 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the April-July runoff into Bighorn Lake is expected to equal 1,140,000 acre-feet (107 percent of average).

As of February 20, 2014, the storage level at [Canyon Ferry](#) was 1,453,782 acre-feet and the active conservation pool is 78.8 percent full. Storage at [Yellowtail](#) is 890,663 acre-feet and the active conservation pool is 87.3 percent full.

COE: Continued cold weather throughout the system prevented the COE from decreasing Gavins Point releases to minimum so far this winter. Ice formation has caused lower levels at reaches near Sioux City. Lower levels have increased generation throughout the system for the month of February. The reaches below Oahe have also experienced icing causing a damming effect that increases water levels. Reaches around Bismarck are frozen over and remain that way. Runoff is now estimated to be 106 percent of normal. Forecast energy was raised to 8,404 GWh, up somewhat from last month. The average is 10,027 GWh.

Snow pack: The January 1 forecasted runoff for calendar year 2014 is 26.1 million acre-feet (MAF). This runoff would be 104 percent of normal runoff.

FY Generation: The six main stem power plants generated 564 million kilowatt-hours (kWh) of electricity in January. Total energy production for 2014 is forecasted to be 8,404 GWh, up from 7,564 forecasted in December. The long-term average is approximately 10 billion kWh.

Purchased Power: The extreme cold weather experienced lately has somewhat abated and prices have come back to normal. With the COE releases being down, purchased power is the rule of thumb with prices dropping back to normal winter prices.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area is essentially drought free. The overall LAP reservoir storage at the end of February was below average with gains in the Colorado-Big Thompson Project (CBT) and significant losses in the North Platte Basin since the end of last February. The snowpack was above average starting the month and remains so as of this writing. The spring snow melt runoff is forecast to be above average for the CBT and Bighorn Basin and below average for the North Platte Basin. The latest National Weather Service forecast indicates March through May temperatures and precipitation will just as likely be above average as below average in Northern Colorado and Wyoming.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Snowpack inches snow water equivalent			Most Probable Reservoir Inflow 1,000 acre-feet (April - July)		
	end of January	average	% of average	beginning of February	average	% of average	February forecast	average	% of average
CBT	597.4	616.1	97%	283.2	229.7	123%	668.0	588.0	114%
North Platte	992.6	1,419.0	70%	264.0	231.7	114%	700.0	750.0	93%
Bighorn	1,972.6	1,769.8	111%	250.7	226.1	111%	1,432.6	1,318.4	109%
TOTAL	3,562.6	3,804.9	94%	797.9	687.5	116%	2,800.6	2,656.4	105%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	February projection	average	% of average	February projection	average	% of average	February projection	average	% of average
Winter 13-14	521.8	718.0	73%	521.3	718.0	73%	548.4	718.0	76%
Summer 14	1,288.6	1,217.8	106%	999.4	1,217.8	82%	1,483.6	1,217.8	122%
TOTAL 2014	1,810.4	1,935.8	94%	1,520.7	1,935.8	79%	2,032.0	1,935.8	105%

The winter season generation is expected to be about 73 percent of average and seasonal energy purchases have been arranged to support LAP firm electric service commitments. There was an additional extended CBT outage due the flooding in September. Reclamation drained Lake Estes and curtailed all imports through Adams Tunnel through early December to allow for the removal of sediment and debris washed into the Lake by the flood. Imports resumed in mid-December and heavier Adams Tunnel imports later in the winter will shift normal October and November CBT generation into February and March. There will also be minimum reservoir releases and associated generation in the North Platte Basin due to depleted reservoir storage.

The upcoming summer season generation is expected to fall between 80 percent and 120 percent of average and, as of now, there is no curtailment of Adams Tunnel imports and associated CBT generation planned for late summer as a means to improve water clarity in Grand Lake.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 14,071,000 acre-feet, which is about 45 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (January, 2014) were about 78 percent of average. Lake Powell elevation currently is about 3,577 feet, 123 feet from maximum reservoir level, and about 87 feet from the minimum generation level.

The forecast for the 2014 April to July water supply season for Lake Powell, issued on Feb 4th by the Colorado Basin River Forecast Center, projects that the most probable (median) unregulated inflow volume will be 7.25 MAF (101 percent of average based on the period 1981-2010). The April-July forecast increased by 440 kAF since last month. The winter snow accumulation season has tracked near average so far (currently 111 percent of median), however we are currently roughly two-thirds of the way through the snow accumulation season and there is still uncertainty regarding

the final snowpack and resulting runoff. The April-July forecast ranges from a minimum probable of 4.75 MAF (66 percent of average) to a maximum probable of 10.3 MAF (144 percent of average).

Based on that inflow forecast, estimated SLCA/IP net generation for Fiscal Year 2014 is 3,895 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during the fiscal year 2014 are about \$59.3 million as compared to about \$17.7 million based on long-term median historical releases. Purchase power availability in the region is good and prices are somewhat higher than usual for this time of year. Firming purchases for the last month have been averaging in the upper \$30's on-peak and low \$30's off-peak, but have spiked higher during extreme cold weather events.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 14.721 MAF (14.481 MAF Dec-2013), 20.960 MAF (64-Year Historical Avg).

The Lake Mead end of January 2014 elevation was 1,108.75 ft. (2.02 ft. higher than end of Dec 2013 elevation), or about 110.89 ft. below full storage elevation of 1,219.64 ft. and 58.75 ft. above the minimum generation elevation for Hoover of 1,050 ft.

Lake Mead's elevation is projected to peak at 1108.75 ft in January of WY 2014 (13.57 ft. below the WY 2013 peak elevation of 1122.32 ft.), and drop to a minimum elevation of 1083.74 ft. in September of WY 2014, a maximum fluctuation in lake elevation of 25.01 ft.

The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The projected 2014 April – July unregulated inflow into Lake Powell is 7.25 MAF or 101 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 103 percent of average and the snowpack is 112 percent of the 30-year (1981-2010) median.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for January 2014 was 44 kAF. The projected side inflow into Lake Mead for WY2014 is 831 kAF which represents a 1 percent increase over last year's actual of 824 kAF, and represents 64 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5343 GWh compared to 5638 GWh (Historical Average). The projected Hoover and Parker-Davis generation for WY 2014 is 95 percent of the average historical generation.

Wholesale Power Market Conditions: The January market prices in the Desert Southwest averaged about \$40/MWh firm on-peak, \$34/MWh firm off-peak compared to \$43/MWh firm on-peak, \$40/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 4.263 MAF, compared to 7.742 MAF last year. Accumulated inflow for the water year-to-date is 19 percent of the 15-year average for Trinity, 42 percent for Shasta, 36 percent for Folsom and 50 percent for New Melones. None of the reservoirs is in flood control operations at this time.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches or 13 percent of its average. As of the 26th, February is at 8.40 inches or 102 percent of its average. It started raining and snowing again with storms expected throughout the weekend. The cumulative total at this time is 12.90 inches or 26 percent of the annual average. December and January are the months with the highest average, with February very close. Many are hoping for a “miracle March,” since it has the next highest average precipitation of the water year.

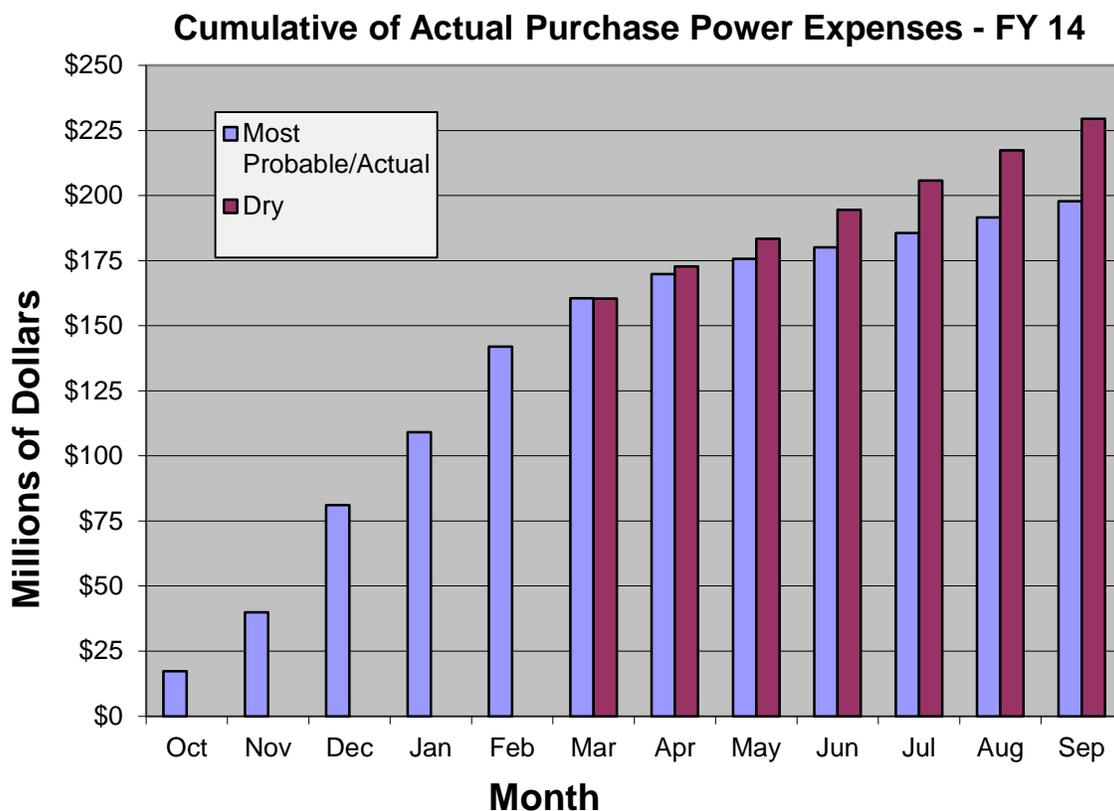
Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak April 1. Therefore, snow water equivalents are reported as a percentage of this average. As of February 26, the North is at 10 percent, the Central is at 25 percent and the South is at 17 percent of this average. The Sacramento River Index forecast of water supply based upon February 1 conditions is “critical” for the 90 percent exceedence as well as the 50 percent case. Recent gains in precipitation will be reflected in the March 1 conditions forecasts.

The average projection of net generation is again taken from the latest modeling using the update to our customers' “Green Book.” This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past fiscal year ended at approximately 91 percent of that average. Reclamation forecasts are based upon December 1 conditions, which were based upon water supply forecast of “critical” for the 90 percent exceedence and “dry” for the 50 percent exceedence. These forecasts would be 67 percent and 68 percent of this “Green Book” average net generation. Currently, Delta export pumping increases to take advantage of precipitation runoff, but drops down again as soon as Delta salinity again becomes a concern once storms have passed.

Hydro Conditions and Purchase Power Monthly Outlook March 2014

Western Summary

- The most probable forecast of net generation for fiscal year (FY) 2014 is 23,039 gigawatt-hours (GWh) or 85 percent of average. October through February generation was 73 percent of average.
- The lower level forecast of generation for FY 2014 is 21,824 GWh or 80 percent of average.
- The amount of power purchased for FY 2014 is expected to range between 4,050 and 4,484 GWh.
- The average price for purchase power across all hydro projects and off-peak and on-peak periods is expected to be \$49/megawatt-hour (MWh). This price compares to \$42/MWh last year.
- Purchase power expenses for FY 2014 are forecast to range between \$198 and \$230 million – compared to \$182 million in FY 2013.
- October through February purchases totaled \$142 million – compared to \$92 million for the same period last year.



Upper Great Plains Region

Storage: The anticipated inflow for the April through July period is forecast to be 2,027.7 thousand acre-feet (kAF) or 117 percent of the 30 year average. Based upon the current water supply forecast, releases out of Canyon Ferry to the Missouri River below Holter Dam is expected to be maintained near or above 4,100 cubic feet per second beginning in late March and continue through the remainder of the year. Streamflows into Bighorn Lake during February were 96 percent of average. On March 1, the NRCS measured the snow water content of the mountain snowpack in the Bighorn Basin at 128 percent of average. Based on the March 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the April-July runoff into Bighorn Lake is expected to equal 1,646,700 acre-feet (154 percent of average).

As of March 21, 2014, the storage level at [Canyon Ferry](#) was 1,460,387 acre-feet and the active conservation pool is 77.2 percent full. Storage at [Yellowtail](#) is 888,152 acre-feet and the active conservation pool is 87.0 percent full.

COE: As of March 7, mountain snowpack is about 125 percent. There is not much plains snow in the eastern Dakotas. Runoff forecast was increased to 30.6 million acre-feet (MAF), which is about 20 percent above normal. Total water volume stored in the Missouri Mainstream Reservoir is about 50.6 MAF, even though storage is down due to the lingering drought. Runoff is now estimated to be 106 percent of normal. Forecast energy was raised to 8,404 GWh, up somewhat from last month. The average is 10,027 GWh.

Snow pack: March 1 forecasted runoff for calendar year 2014 is 30.6 MAF. This runoff would be 121 percent of normal runoff.

FY Generation: The six main stem power plants generated 499 million kilowatt hours of electricity in February. Total energy production for 2014 is forecasted to be 8,404 GWh, up from 7,564 GWh forecasted in December. The long-term average is approximately 10 billion kWh.

Purchased Power: The extreme cold weather has abated and so the price of power is starting to come back down. Prices for off peak power range from \$24-\$28 and on peak power ranges up to the mid-\$40s.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area is essentially drought free. The overall LAP reservoir storage at the end of February was below average with gains in the Colorado-Big Thompson Project (CBT) and significant losses in the North Platte Basin since the end of last February. The snowpack was well above average starting the month and remains so as of this writing. The spring snow melt runoff is forecast to be above average for the North Platte Basin and well above average for the CBT and Bighorn Basin. The latest National Weather Service forecast indicates April through June temperatures and precipitation will just as likely be above average as below average in Northern Colorado and Wyoming.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Snowpack inches snow water equivalent			Most Probable Reservoir Inflow 1,000 acre-feet (April - July)		
	end of February	average	% of average	beginning of March	average	% of average	March forecast	average	% of average
	CBT	587.4	607.3	97%	335.7	248.0	135%	783.0	588.0
North Platte	1,032.4	1,456.3	71%	319.9	265.0	121%	800.0	770.0	104%
Bighorn	1,937.3	1,730.4	112%	383.9	278.9	138%	1,947.0	1,318.4	148%
TOTAL	3,557.1	3,794.0	94%	1,039.5	791.9	131%	3,530.0	2,676.4	132%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	March projection	average	% of average	March projection	average	% of average	March projection	average	% of average
	Winter 13-14	532.4	718.0	74%	526.0	718.0	73%	537.5	718.0
Summer 14	1,346.7	1,217.8	111%	1,111.9	1,217.8	91%	1,588.3	1,217.8	130%
TOTAL 2014	1,879.1	1,935.8	97%	1,637.9	1,935.8	85%	2,125.8	1,935.8	110%

The winter season generation is expected to be about 75 percent of average. There was an extended CBT outage due the flooding in September. Reclamation drained Lake Estes and curtailed all imports through Adams Tunnel through early December to allow for the removal of sediment and debris washed into the Lake by the flood. Imports resumed in mid-December and heavier Adams Tunnel imports later in the winter shifted normal October and November CBT generation into February and March. There have been minimum reservoir releases and associated generation in the North Platte Basin due to depleted reservoir storage.

The upcoming summer season generation is expected to fall between 90 percent and 130 percent of average. If heavy runoff and reduced water demands result in nearly full East Slope storage while the possibly of a late summer spill of Lake Granby is low then conditions would be right for another curtailment of Adams Tunnel imports and associated CBT generation in the late summer as a means to improve water clarity in Grand Lake.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 13,947,000 acre-feet, which is about 45 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (February 2014) were about 87 percent of average. Lake Powell elevation currently is about 3,575 feet, 125 feet from maximum reservoir level, and about 85 feet from the minimum generation level. Lake Powell elevation is expected to increase beginning in April as spring runoff begins entering the reservoir.

The forecast for the 2014 April to July water supply season for Lake Powell, issued on March 4, 2014, by the Colorado Basin River Forecast Center, projects that the most probable (median) unregulated inflow volume will be 8.30 MAF (116 percent of average based on the period 1981-

2010). The April-July forecast increased by 1.05 MAF since last month. The winter snow accumulation season has tracked near average to slightly above average in the past month (currently 115 percent of median). There is currently about one more month remaining for the typical snow accumulation season so there is still uncertainty regarding the final snowpack and resulting runoff. The April-July forecast ranges from a minimum probable of 6.00 MAF (84 percent of average) to a maximum probable of 11.1 MAF (155 percent of average). For reference, the 30-year April-July average is 7.16 MAF. There is a 10 percent chance that inflows could be higher than the maximum probable, and a 10 percent chance they could be lower than the minimum probable.

Based on that inflow forecast, estimated SLCA/IP net generation for FY 2014 is 4,141 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during the FY 2014 are about \$51.8 million, as compared to about \$18.4 million based on long-term median historical releases. Purchase power availability in the region is good and prices are somewhat higher than usual for this time of year, but are coming down as the weather warms. Firming purchases for the last month have been averaging in the low \$40's on-peak and low \$30's off-peak, but have spiked higher during extreme cold weather events.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 14.708 MAF (14.721 MAF Jan-2014), 20.960 MAF (64-Year Historical Avg).

The Lake Mead end of February 2014 elevation was 1,107.94 feet (0.81 feet lower than end of Jan 2014 elevation), or about 111.7 feet below full storage elevation of 1,219.64 feet and 57.94 feet above the minimum generation elevation for Hoover of 1,050 feet.

Lake Mead's elevation peaked at 1,108.75 feet in January of WY 2014 (13.57 feet below the WY 2013 peak elevation of 1,122.32 feet), and is projected to drop to a minimum elevation of 1,082.77 feet in September of WY 2014, a maximum fluctuation in lake elevation of 25.98 feet.

The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The projected 2014 April - July unregulated inflow into Lake Powell (as of March 17, 2014) is 8.0 MAF or 112 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 101 percent of average and the snowpack is 111 percent of the 30-year (1981-2010) median.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for February 2014 was 76 kAF. The projected side inflow into Lake Mead for WY 2014 is 823 kAF which represents a 0.12 percent decrease over last year's actual of 824 kAF, and represents 63 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5,363 GWh compared to 5,638 GWh (Historical Average). The projected Hoover and Parker-Davis generation for WY 2014 is 95 percent of the average historical generation.

Wholesale Power Market Conditions: The January market prices in the Desert Southwest averaged about \$60/MWh firm on-peak, \$48/MWh firm off-peak compared to \$40/MWh firm on-peak, \$34/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 4.835 MAF, compared to 7.920 MAF last year. Accumulated inflow for the water year-to-date is 39 percent of the 15-year average for Trinity, 48 percent for Shasta, 40 percent for Folsom and 46 percent for New Melones. None of the reservoirs is in flood control operations at this time.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches or 13 percent of its average. February ended at 14.20 inches or 130 percent of its average. The cumulative total at this time is 20.94 inches or 41 percent of the annual average. December and January are the months with the highest average, with February very close. March is next, but has been dry until just recently. As of the 24th, March is at 5.74 inches or 86 percent of its average. It started raining and snowing again with storms expected throughout the weekend.

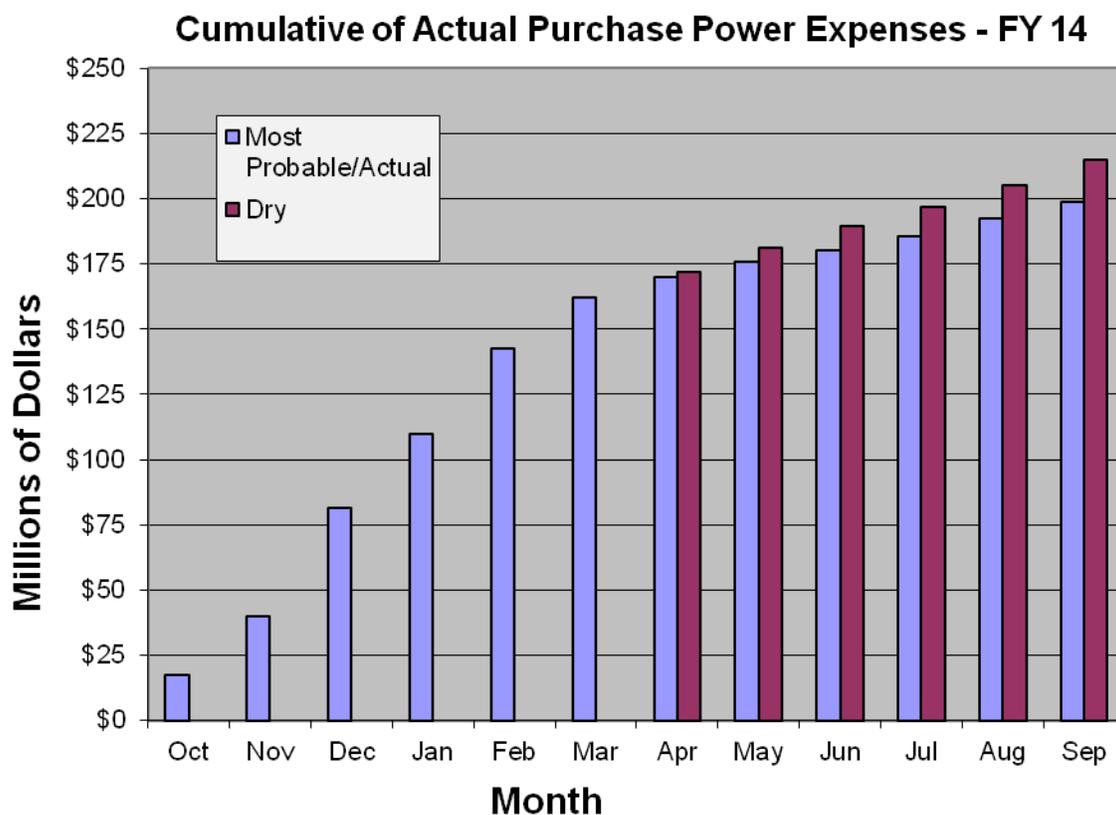
Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak April 1. Therefore, snow water equivalents are reported as a percentage of this average. As of February 26, the North is at 10 percent, the Central is at 25 percent and the South is at 17 percent of this average. The Sacramento River Index forecast of water supply, based upon March 1 conditions forecast, remains "critical" for the 90 percent exceedence as well as the 50 percent case. Recent gains in precipitation will be reflected in the April 1 conditions forecasts. The year type declaration will be based upon May 1 conditions at the 50 percent exceedence level.

The average projection of net generation is again taken from the latest modeling using the update to our customers' "Green Book." This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post-2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past FY ended at approximately 91 percent of that average. Reclamation forecasts are based upon January 1 conditions, which were based upon water supply forecast of "critical" for the 90 percent exceedence and "critical" for the 50 percent exceedence. These forecasts would be 65 percent and 66 percent of this "Green Book" average net generation. Currently, Delta export remains low because the initial storm system did not produce as much as predicted.

Hydro Conditions and Purchase Power Monthly Outlook April 2014

Western Summary

- The most probable forecast of net generation for fiscal year (FY) 2014 is 23,814 gigawatt-hours (GWh) or 88 percent of average. October through March generation was 77 percent of average.
- The lower level forecast of generation for FY 2014 is 22,608 GWh or 83 percent of average.
- The purchased power for FY 2014 is expected to range between 3,469 and 3,871 GWh.
- The average price for purchase power across all hydro projects and off-peak and on-peak periods is expected to be \$57/megawatt-hour (MWh). This price compares to \$41/MWh last year.
- Purchase power expenses for FY 2014 are forecast to range between \$199 and \$215 million.
- The most probable forecast of October through March purchase power expenses is \$162 million¹ – compared to \$117 million for the same period last year.



¹ At this time, the actual total of Western-wide purchase power expenses is not available for March due to the lack of certain Western Regional data.

Upper Great Plains Region

Storage: The NRCS's snowpack conditions have increased to 136 percent of the 30 year median; therefore, the anticipated inflow for the April through July period is forecast to be 2457.1 thousand acre-feet (kAF) or 142 percent of the 30 year average. Streamflows into Bighorn Lake during March were 144 percent of average. On April 1, the NRCS measured the snow water content of the mountain snowpack in the Bighorn Basin at 134 percent of average. Based on the April 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the April-July runoff into Bighorn Lake is expected to equal 1,960,800 acre-feet (194 percent of average).

As of April 18, 2014, the storage level at [Canyon Ferry](#) was 1,352,441 acre-feet and the active conservation pool is 71.5 percent full. Storage at [Yellowtail](#) is 767,236 acre-feet and the active conservation pool is 75.2 percent full.

COE: As of April 11, 2014, mountain snowpack above Ft. Peck is about 128 percent of normal. Between Ft. Peck and Garrison the snowpack is 137 percent. Currently the system storage is slightly below normal due to drought in 2012 but the greater than average snowpack will bring system storage to normal levels and also increase system generation to near normal for the year. Runoff is now estimated to be 106 percent of normal. Forecast energy was raised to 8,404 GWh, up somewhat from last month. The average is 10,027 GWh.

Snow pack: April 1 forecasted runoff for calendar year 2014 is 32.0 million acre-feet (MAF). This runoff would be 127 percent of normal runoff.

FY Generation: The six main stem power plants generated 619 million kilowatt hours of electricity in March. Total energy production for 2014 is forecasted to be 9,640 GWh, up from 8,929 GWh forecasted in March. The long-term average is approximately 10 billion kWh.

Purchased Power: The extreme cold weather has abated and so the price of power is starting to come back down. Prices for off peak power range from lower to mid 20s and on peak power ranges up to mid thirties.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area is drought free. The reservoir inflow was above average in the Colorado River headwaters and Bighorn Basin over the winter and was average in the North Platte Basin. The overall LAP reservoir storage at the end of March was below average with gains in the Colorado-Big Thompson Project (CBT) and losses in the North Platte Basin since the end of last March. The snowpack was well above average starting the month and remains so as of this writing. The latest National Weather Service forecast indicates May through July temperatures will just as likely be above average as below average in Northern Colorado and Wyoming. The precipitation is more likely to be above average in Colorado and just as likely be above average as below average in Wyoming. The spring snow melt runoff is now forecast to be well above average for all three basins.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Snowpack inches snow water equivalent			Most Probable Reservoir Inflow 1,000 acre-feet (April - July)		
	end of March	average	% of average	beginning of April	average	% of average	April forecast	average	% of average
	CBT	574.1	599.1	96%	489.2	361.6	135%	867.0	588.0
North Platte	1,109.3	1,507.8	74%	474.1	375.9	126%	950.0	770.0	123%
Bighorn	1,878.0	1,719.9	109%	491.1	353.8	139%	2,265.9	1,315.0	172%
TOTAL	3,561.4	3,826.8	93%	1,454.4	1,091.3	133%	4,082.9	2,673.0	153%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	April projection	average	% of average	April projection	average	% of average	April projection	average	% of average
	Winter 13-14	555.3	718.0	77%	555.3	718.0	77%	555.3	718.0
Summer 14	1,436.5	1,217.8	118%	1,319.1	1,217.8	108%	1,613.2	1,217.8	132%
TOTAL 2014	1,991.8	1,935.8	103%	1,874.4	1,935.8	97%	2,168.5	1,935.8	112%

The winter season generation was 77 percent of average. There was an extended CBT outage due the flooding in September. Reclamation drained Lake Estes and curtailed all imports through Adams Tunnel through early December to allow for the removal of sediment and debris washed into the Lake by the flood. Imports resumed in mid-December and heavier Adams Tunnel imports later in the winter shifted normal October and November CBT generation into February and March. There were minimum winter reservoir releases and associated generation in the North Platte Basin due to depleted reservoir storage.

The upcoming summer season generation is expected to fall between 108 percent and 132 percent of average. Heavy runoff and likely reduced water demand will result in nearly full East Slope storage. If the possibility of a late summer spill of Lake Granby is low then conditions would be right for another curtailment of Adams Tunnel imports and associated CBT generation in the late summer as a means to improve water clarity in Grand Lake.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 13,919,000 acre-feet, which is about 45 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (March 2014) were about 77 percent of average. Lake Powell elevation currently is about 3,574 feet, 126 feet from maximum reservoir level and about 84 feet from the minimum generation level. Lake Powell elevation is expected to increase in April as spring runoff begins entering the reservoir. Based on the current forecast, the 24-Month study for April projects Lake Powell elevation will peak near approximately 3,614 feet near the end of June and end the water year near 3,610 feet with approximately 12.71 MAF in storage (52 percent capacity).

The forecast for the 2014 April to July water supply season for Lake Powell, issued on April 2, 2014, by the Colorado Basin River Forecast Center, projects that the most probable (median) unregulated inflow volume will be 7.85 MAF (110 percent of average based on the period 1981-2010). The April-July forecast decreased by 0.45 MAF since last month. The winter snow accumulation season has tracked slightly above average over the past month (currently 112 percent of median). We are nearing the end of the typical snow accumulation season and spring runoff is expected to begin in many sub-basins over the next month. However, the timing and final volume of spring runoff is still uncertain. The April-July forecast ranges from a minimum probable of 5.80 MAF (81 percent of average) to a maximum probable of 10.3 MAF (144 percent of average). For reference, the 30-year April-July average is 7.16 MAF. There is a 10 percent chance that inflows could be higher than the maximum probable and a 10 percent chance they could be lower than the minimum probable.

Based on that inflow forecast, estimated SLCA/IP net generation for FY 2014 is 4,133 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during FY 2014 are about \$51.9 million as compared to about \$18.4 million based on long-term median historical releases. Purchase power availability in the region is good and prices are somewhat higher than usual for this time of year. Firming purchases for the last month have been averaging about \$40 on-peak and low \$35 off-peak.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 14.111 MAF (14.708 MAF as of February 2014), with 20.788 MAF being the 64-year historical average.

The Lake Mead end of March 2014 elevation was 1,101.71 feet (6.23 feet lower than end of February 2014 elevation), or about 117.9 feet below full storage elevation of 1,219.64 feet and 51.71 feet above the minimum generation elevation for Hoover of 1,050 feet.

Lake Mead's elevation peaked at 1108.75 feet in January of water year (WY) 2014 (13.57 feet below the WY 2013 peak elevation of 1122.32 feet), and is projected to drop to a minimum elevation of 1081.97 feet in September of WY 2014, a maximum fluctuation in lake elevation of 26.78 feet.

The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The projected 2014 April – July unregulated inflow into Lake Powell (as of 4/8/14) is 7.85 MAF or 110 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 98 percent of average and the snowpack is 100 percent of the 30-year (1981-2010) median.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for March 2014 was 33 kAF. The projected side inflow into Lake Mead for WY2014 is 788 kAF which represents a 4.4

percent decrease over last year's actual of 824 kAF, and represents 61 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5,342 GWh compared to the 5,639 GWh historical average. The projected Hoover and Parker-Davis generation for WY 2014 is 95 percent of the average historical generation.

Wholesale Power Market Conditions: The March market prices in the Desert Southwest averaged about \$42/MWh firm on-peak, \$33/MWh firm off-peak compared to \$60/MWh firm on-peak, \$48/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 5.195 MAF, compared to 8.201 MAF last year. Accumulated inflow for the water year-to-date is 41 percent of the 15-year average for Trinity, 51 percent for Shasta, 42 percent for Folsom, and 43 percent for New Melones. None of the reservoirs is in flood control operations at this time.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches or 13 percent of its average. February ended at 14.20 inches or 130 percent of its average. March came in at 10.21 inches, or 153 percent of average. The cumulative total at this time is 26.91 inches or 53 percent of the annual average. December and January are the months with the highest average, with February very close. March is next and we received another 5 inches during the last week of that month, but April has been rather dry thus far with only 1.50 inches of measurable precipitation.

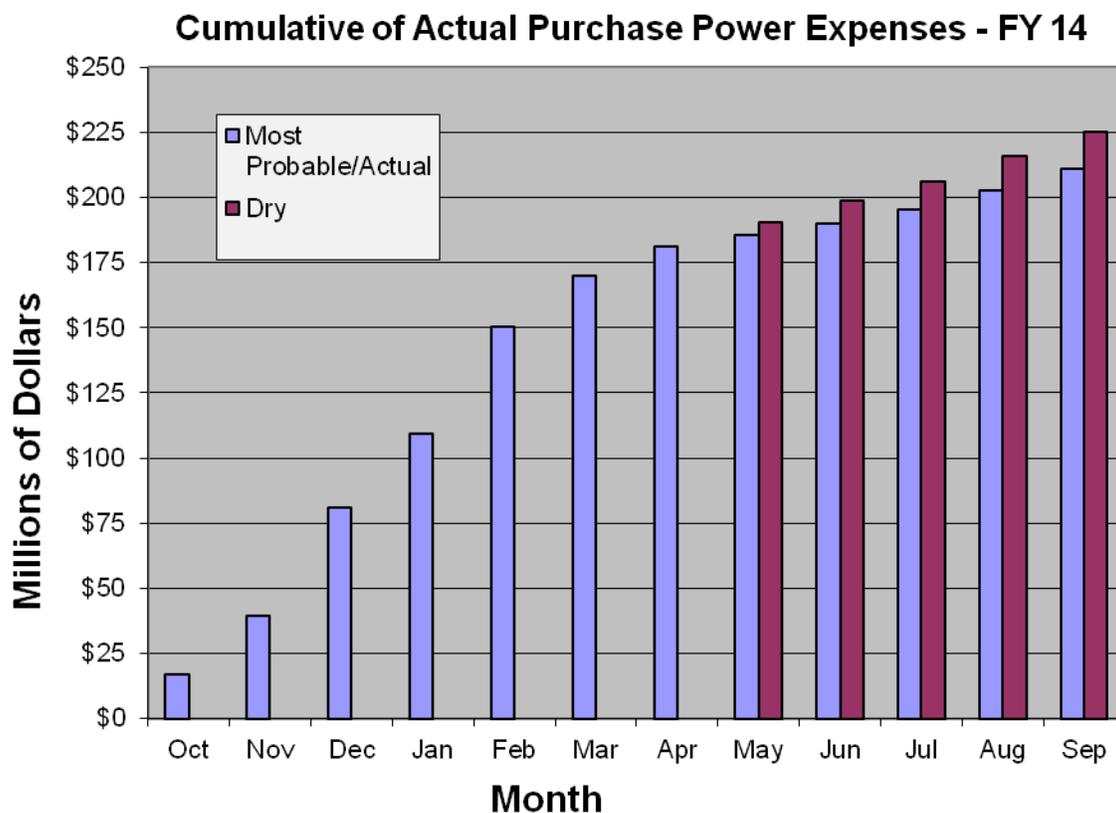
Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak on April 1. Therefore, snow water equivalents are reported as a percentage of this average. As of April 24, the North is at 7 percent, the Central is at 20 percent, and the South is at 15 percent of this average. The Sacramento River Index forecast of water supply, based upon April 1 conditions forecast, remains "critical" for the 90 percent exceedence as well as the 50 percent case. Still, March gains in precipitation are reflected in the April 1 conditions forecasts. The year type declaration will be based upon May 1 conditions at the 50 percent exceedence level.

The average projection of net generation is again taken from the latest modeling using the update to our customers' "Green Book." This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past fiscal year ended at approximately 91 percent of that average. Reclamation forecasts are based upon January 1 conditions, which were based upon water supply forecast of "critical" for the 90 percent exceedence and "critical" for the 50 percent exceedence. These forecasts remain 65 percent and 66 percent of this "Green Book" average net generation.

Hydro Conditions and Purchase Power Monthly Outlook May 2014

Western Summary

- The most probable forecast of net generation for fiscal year (FY) 2014 is 23,766 gigawatt-hours (GWh) or 87 percent of average. October through April generation was 81 percent of average.
- The lower level forecast of generation for FY 2014 is 22,809 GWh or 84 percent of average.
- The purchased power for FY 2014 is expected to range between 4,198 and 4,548 GWh.
- The average price for purchase power across all hydro projects and off-peak and on-peak periods is expected to be \$50/megawatt-hour (MWh). This price compares to \$43/MWh last year.
- Purchase power expenses for FY 2014 are forecast to range between \$211 and \$225 million.
- October through April purchases totaled over \$181 million – compared to \$125 million for the same period last year.



Upper Great Plains Region

Storage: The NRCS's snowpack conditions continue to be above average at 138 percent of the 30 year median; therefore the anticipated inflow for the May through July period is forecast to be 1883.0 thousand acre-feet (kAF) or 132 percent of the 30 year average. Streamflows into Bighorn Lake during April were 216 percent of average. On May 1, the NRCS measured the snow water content of the mountain snowpack in the Bighorn Basin at 134 percent of average. Based on the May 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the May-July runoff into Bighorn Lake is expected to equal 1,636,200 acre-feet (177 percent of average).

As of April 18, 2014, the storage level at [Canyon Ferry](#) was 1,330,194 acre-feet and the active conservation pool is 70.3 percent full. Storage at [Yellowtail](#) is 725,094 acre-feet and the active conservation pool is 71.0 percent full.

COE: Bird peaking has started once again at Garrison, Ft. Randall, and Gavins Point. The Piping Plover and Least Tern return annually to nest on the sand banks of the river. Periodically the plants will be releasing a pulse of water to ensure the birds nest near the tops of the sandbanks, thus preventing the nests from washing away if the river fluctuates. As of May 12, 2014, mountain snowpack between Ft. Peck and Garrison the snowpack is 119 percent. Currently the system storage is slightly below normal due to drought in 2012 but the greater than average snowpack will bring system storage to normal levels and also increase system generation to near normal for the year. Runoff is estimated to be 125 percent of normal. Forecast energy was raised to 9,691 GWh, up somewhat from last month. Average is 10,027 GWh.

Snow pack: April 1 forecasted runoff for calendar year 2014 is 32.0 million acre-feet (MAF). This runoff would be 127 percent of normal runoff.

FY Generation: The six main stem power plants generated 827 million kWh of electricity in April. Total energy production for 2014 is forecasted to be 9,691 GWh, up from 8,964 GWh forecasted in March. The long-term average is approximately 10 billion kWh.

Purchased Power: We are in the shoulder months of the generating season, and with loads being down prices have stayed in the low twenties for off-peak power and on-peak power ranging up to mid thirties.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area continues to be drought free. The year to date reservoir inflow has been above average in the North Platte Basin and well above average in the Colorado River headwaters and Bighorn Basin. The overall LAP reservoir storage at the end of April was below average with gains in the Colorado-Big Thompson Project (CBT) and losses in the North Platte Basin since the end of last April. The snowpack was well above average starting the month and remains so as of this writing. The latest National Weather Service forecast indicates June through August temperatures

will just as likely be above average as below average in Northern Colorado and Wyoming while the precipitation is more likely to be above average. The spring snow melt runoff is now forecast to be above average in all three basins and well above average overall due to the snowpack and favorable soil moisture and bank storage carrying over from the heavy fall storms.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Snowpack inches snow water equivalent			Most Probable Reservoir Inflow 1,000 acre-feet (April - July)		
	beginning of May	average	% of average	beginning of May	average	% of average	May forecast	average	% of average
CBT	612.5	599.6	102%	431.8	346.8	125%	825.0	588.0	140%
North Platte	1,264.6	1,572.8	80%	463.2	393.5	118%	900.0	770.0	117%
Bighorn	1,681.0	1,672.0	101%	472.0	317.5	149%	2,268.3	1,315.0	172%
TOTAL	3,558.1	3,844.4	93%	1,367.0	1,057.8	129%	3,993.3	2,673.0	149%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	May projection	average	% of average	May projection	average	% of average	May projection	average	% of average
Winter 13-14	555.3	718.0	77%	555.3	718.0	77%	555.3	718.0	77%
Summer 14	1,382.3	1,217.8	114%	1,313.1	1,217.8	108%	1,505.8	1,217.8	124%
TOTAL 2014	1,937.6	1,935.8	100%	1,868.4	1,935.8	97%	2,061.1	1,935.8	106%

The summer season generation is expected to fall between 108 percent and 124 percent of average. Reclamation operating plans project likely plant bypasses in the Bighorn Basin and about a 50 percent chance of an early summer Lake Granby spill due to heavy reservoir inflows. Heavy runoff and likely reduced water demand will result in nearly full East Slope CBT storage. If the possibility of a late summer spill of Lake Granby is low then conditions would be right for another curtailment of Adams Tunnel imports and associated CBT generation in the late summer as a means to improve water clarity in Grand Lake. If there is a water clarity operation this summer, there has also been a request to pump from Lake Granby to Shadow Mountain Reservoir during the operation to test the impact of pumping on Shadow Mountain Reservoir algae blooms that occur when there are no Adams Tunnel imports in the hottest summer months. The water pumped to Shadow Mountain Reservoir would immediately spill from the reservoir and run back downstream into Lake Granby. The pumping energy required for the test would either increase the purchases for LAP or reduce the sale of surplus LAP generation during the time of heaviest summer power demands.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 14,775,000 acre-feet, which is about 48 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (April 2014) were about 93 percent of average. Lake Powell elevation currently is about 3,580 feet, 120 feet from maximum reservoir level, and about 90 feet from the minimum generation level. Lake Powell elevation increased in April as spring runoff began entering the reservoir. Based on the current forecast, the May 24-Month study projects Lake Powell

elevation will peak near approximately 3,616 feet near the end of June and end the water year near 3,610 feet with approximately 12.78 MAF in storage (52 percent capacity).

Note that projections of elevation and storage have uncertainty at this point in the season, primarily due to uncertainty regarding the spring runoff and resulting inflow to Lake Powell. Under the minimum probable inflow scenario, last updated in April, the projected summer peak is 3,599 feet and end of water year storage is 11.0 MAF (45 percent capacity). Under the maximum probable inflow scenario, updated in April, the projected summer peak is 3,632 feet and end of water year storage is 14.9 MAF (61 percent capacity). There is a 10 percent chance that inflows will be higher, resulting in higher elevation and storage, and 10 percent chance that inflows will be lower, resulting in lower elevation and storage.

Based on that inflow forecast, estimated SLCA/IP net generation for FY 2014 is 4,206 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during the FY 2014 are about \$54.8 million as compared to about \$18.4 million based on long-term median historical releases. Purchase power availability in the region is good and prices are somewhat higher than usual for this time of year. Firming purchases for the last month have been averaging in the low \$40s on-peak and upper \$30s off-peak.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 13.538 MAF (14.111 MAF March 2014), 20.621 MAF (64-Year Historical Average).

The Lake Mead end of April 2014 elevation was 1,094.55 feet (7.16 feet lower than end of Mar 2014 elevation), or about 125.09 feet below full storage elevation of 1,219.64 feet and 44.55 feet above the minimum generation elevation for Hoover of 1,050 feet.

Lake Mead's elevation peaked at 1108.75 feet in January of water year (WY) 2014 (13.57 feet below the WY 2013 peak elevation of 1,122.32 feet), and is projected to drop to a minimum elevation of 1,081.18 feet in September of WY 2014, a maximum fluctuation in lake elevation of 27.57 feet.

The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell to Lake Mead are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The projected 2014 April-July unregulated inflow into Lake Powell (as of May 2, 2104) is 7.550 MAF or 105 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 100 percent of average and the snowpack is 145 percent of the 30-year (1981-2010) median.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for April 2014 was 17 kAF. The projected side inflow into Lake Mead for WY 2014 is 708 kAF which represents a 14 percent

decrease over last year's actual of 824 kAF, and represents 54 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5,316 GWh compared to 5,640 GWh (Historical Average). The projected Hoover and Parker-Davis generation for WY 2014 is 94 percent of the average historical generation.

Wholesale Power Market Conditions: The March market prices in the Desert Southwest averaged about \$41/MWh firm on-peak, \$32/MWh firm off-peak compared to \$42/MWh firm on-peak, \$33/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 4.873 million-acre-feet, compared to 7.615 MAF last year. Accumulated inflow for the water year-to-date is 34 percent of the 15-year average for Trinity, 49 percent for Shasta, 40 percent for Folsom and 39 percent for New Melones. None of the reservoirs is in flood control operations at this time.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches or 13 percent of its average. February ended at 14.20 inches or 130 percent of its average. March came in at 10.21 inches, or 153 percent of average. April ended at 3.95 inches or 67 percent of average. The cumulative total at this time is 28.80 inches or 57 percent of the annual average. December and January are the months with the highest average, with February very close. March is next and we received another 5 inches during the last week of that month. May which averages 2.20 inches is currently at 0.75.

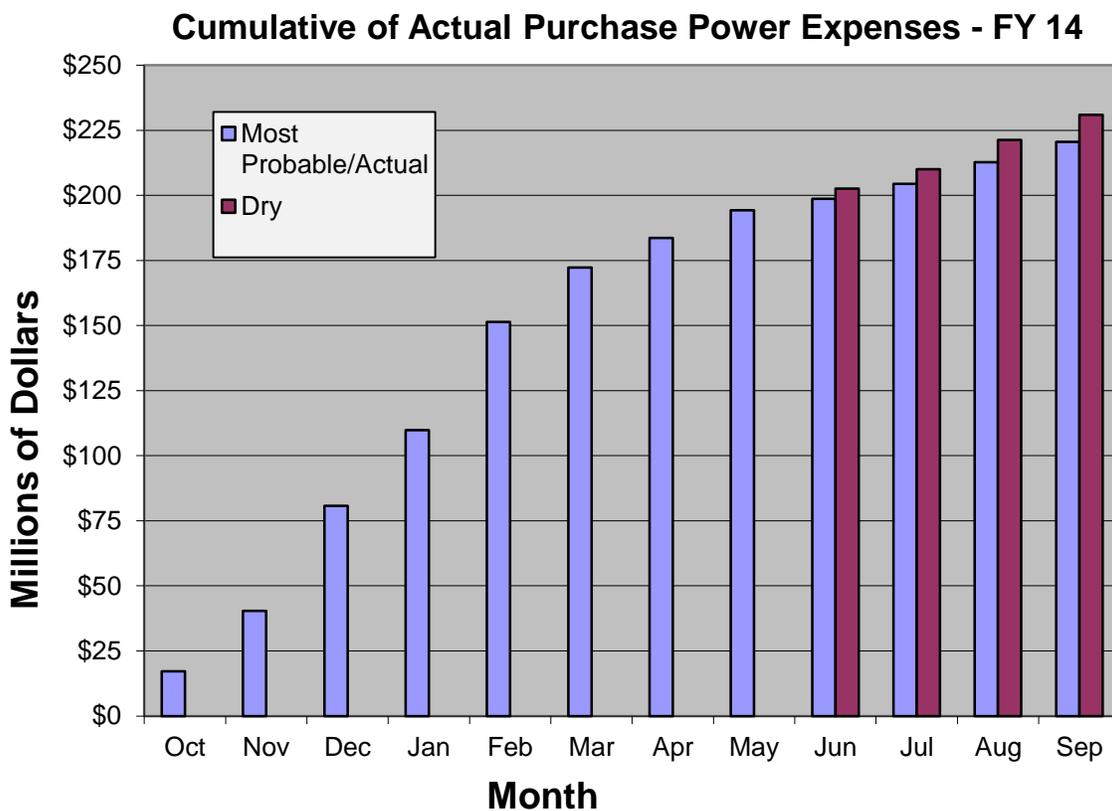
Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak April 1. Snow water equivalents are reported as a percentage of this average. As of May 23, the North is at 2 percent, the Central is at 3 percent and the South is at 1 percent of this average. The Sacramento River Index forecast of water supply, based upon May 1 conditions forecast, remains "critical" for the 90 percent exceedence as well as the 50 percent case. The 40-30-30 year type declaration based upon May 1 conditions at the 50 percent exceedence level is "critical."

The average projection of net generation is again taken from the latest modeling using the update to our customers' "Green Book." This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past fiscal year ended at approximately 91 percent of that average. Reclamation forecasts are based upon January 1 conditions, which were based upon water supply forecast of "critical" for the 90 percent exceedence and "critical" for the 50 percent exceedence. These forecasts are 65 percent and 63 percent of this "Green Book" average net generation.

Hydro Conditions and Purchase Power Monthly Outlook June 2014

Western Summary

- The most probable forecast of net generation for fiscal year (FY) 2014 is 23,421 gigawatt-hours (GWh) or 86 percent of average. October through May generation was 82 percent of average.
- The lower level forecast of generation for FY 2014 is 22,640 GWh or 83 percent of average.
- The purchased power for FY 2014 is expected to range between 4,386 and 4,634 GWh.
- The average price for purchase power across all hydro projects and off-peak and on-peak periods is expected to be \$50/megawatt-hour (MWh). This price compares to \$45/MWh last year.
- Purchase power expenses for FY 2014 are forecast to range between \$221 and \$231 million.
- October through May purchases totaled over \$194 million – compared to \$141 million for the same period last year.



Upper Great Plains Region

Storage: The anticipated inflow for the June through July period is forecast to be 922.0 thousand acre-feet (kAF), or 97 percent of the 30-year average. Streamflows into Bighorn Lake during May were 203 percent of average. On June 1, the NRCS measured the snow water content of the mountain snowpack in the Bighorn Basin at 111 percent of average. Based on the June 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the June-July runoff into Bighorn Lake is expected to equal 782,900 acre-feet (119 percent of average).

As of June 24, 2014, the storage level at [Canyon Ferry](#) was 1,841,144 acre-feet and the active conservation pool is 97.3 percent full. Storage at [Yellowtail](#) is 925,249 acre-feet and the active conservation pool is 90.7 percent full.

COE: Bird peaking continues at Garrison and Ft. Randall. The Piping Plover and Least Tern return annually to nest on the sand banks of the river. Periodically the plants will be releasing a pulse of water to ensure the birds nest near the tops of the sandbanks, thus preventing the nests from washing away if the river fluctuates. Runoff is estimated to be 125 percent of normal. Forecast energy was raised to 9,691 GWh, up somewhat from last month. Average is 10,027 GWh.

Snow pack: April 1 forecasted runoff for calendar year 2014 is 32.0 million acre-feet (MAF). This runoff would be 127 percent of normal runoff. Mountain snowpack above Ft. Peck is currently 138 percent of normal. The mountain snowpack in the reach between Ft. Peck and Garrison is currently 142 percent of normal.

FY Generation: The six main stem power plants generated 880 million kilowatt-hours (kWh) of electricity in May. Total energy production for 2014 is forecasted to be 9,691 GWh, up from 8,964 GWh forecasted in March. The long-term average is approximately 10 billion kWh.

Purchased Power: We are starting the summer months of the generating season, and with loads increasing prices have stayed in the upper twenties for off-peak power and on-peak power ranges up to upper thirties.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area continues to be drought free. The year to date reservoir inflow has been well above average. The overall LAP reservoir storage at the end of May was average with gains in the North Platte Basin and Colorado-Big Thompson Project (CBT) and losses in the Bighorn Basin since the end of last May. The snowpack was well above average starting the month and has mostly melted as of this writing which is normal. The latest National Weather Service forecast indicates July through September temperatures will more likely be below average while the precipitation is more likely to be above average. The spring snow melt runoff is still forecast to be above average in all three basins and well above average overall due to the snowpack and favorable soil moisture and bank storage carrying over from the heavy fall storms.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Snowpack inches snow water equivalent			Most Probable Reservoir Inflow 1,000 acre-feet (April - July)		
	beginning of June	average	% of average	beginning of June	average	% of average	June forecast	average	% of average
	CBT	733.5	673.3	109%	109.5	56.4	194%	937.0	588.0
North Platte	1,646.7	1,725.8	95%	200.2	122.9	163%	1,000.0	770.0	130%
Bighorn	1,815.7	1,798.2	101%	149.9	108.1	139%	1,550.0	1,315.0	118%
TOTAL	4,195.9	4,197.3	100%	459.6	287.4	160%	3,487.0	2,673.0	130%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	June projection	average	% of average	June projection	average	% of average	June projection	average	% of average
	Winter 13-14	555.3	718.0	77%	555.3	718.0	77%	555.3	718.0
Summer 14	1,409.5	1,217.8	116%	1,315.6	1,217.8	108%	1,528.4	1,217.8	126%
TOTAL 2014	1,964.8	1,935.8	101%	1,870.9	1,935.8	97%	2,083.7	1,935.8	108%

The summer season generation is expected to fall between 108 percent and 126 percent of average. Reclamation operating plans project likely plant bypasses in the Bighorn and North Platte basins and about a 50 percent chance of an early summer Lake Granby spill due to heavy reservoir inflows. Heavy runoff and likely reduced water demand will result in nearly full East Slope CBT storage. Another curtailment of Adams Tunnel imports and associated CBT generation has been planned for August as a means to improve water clarity in Grand Lake. There are now no plans to pump water from Lake Granby to Shadow Mountain Reservoir during the water clarity operation this year.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 17,090,000 acre feet, which is about 55 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (May 2014) were about 96 percent of average. Lake Powell elevation currently is about 3,600 feet, 100 feet from maximum reservoir level, and about 110 feet from the minimum generation level. Lake Powell elevation increased about 20 feet in May as spring runoff entered the reservoir. Based on the current forecast, the June 24-Month study projects Lake Powell elevation will peak near approximately 3,614 feet near the end of June and end the water year near 3,610 feet with approximately 12.715 MAF in storage (52 percent capacity).

Note that projections of elevation and storage have uncertainty, primarily due to uncertainty regarding the spring runoff and resulting inflow to Lake Powell. Under the minimum probable inflow scenario, last updated in April, the projected summer peak is 3,599 feet and end of water year storage is 11.0 MAF (45 percent capacity). Under the maximum probable inflow scenario, updated in April, the projected summer peak is 3,632 feet and end of water year storage is 14.9 MAF (61 percent capacity). There is a 10 percent chance that inflows will be higher, resulting in higher elevation and storage, and 10 percent chance that inflows will be lower, resulting in lower

elevation and storage. The annual release volume from Lake Powell during water year (WY) 2014 is projected to be 7.48 MAF under all inflow scenarios.

Based on the most probable inflow forecast, estimated SLCA/IP net generation for FY 2014 is 4,124 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during the FY 2014 are about \$60.2 million as compared to about \$21.7 million based on long-term average historical releases. Purchase power availability in the region is good and prices are somewhat higher than usual for this time of year. Firming purchases for the last month have been averaging in the mid \$40s on-peak and mid \$30s off-peak.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 12.954 MAF (13.538 MAF April 2014), 20.744 MAF (64-Year Historical Avg).

The Lake Mead end of May 2014 elevation was 1,087.46 feet (7.09 feet lower than end of Apr 2014 elevation), or about 132.18 feet below full storage elevation of 1,219.64 feet and 37.46 feet above the minimum generation elevation for Hoover of 1,050 feet.

Lake Mead's elevation peaked at 1,108.75 feet in January of WY 2014 (13.57 feet below the WY 2013 peak elevation of 1,122.32 feet), and is projected to drop to a minimum elevation of 1,080.62 feet in September of WY 2014, a maximum fluctuation in lake elevation of 28.13 feet.

The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell to Lake Mead are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The projected 2014 April-July unregulated inflow into Lake Powell (as of June 16, 2014) is 7.26 MAF or 101 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 97 percent of average and the snowpack is gone.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for May 2014 was 14 kAF. The projected side inflow into Lake Mead for WY 2014 is 662 kAF which represents a 20 percent decrease over last year's actual of 824 kAF, and represents 51 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5,318 GWh compared to 5,640 GWh (Historical Average). The projected Hoover and Parker-Davis generation for WY 2014 is 94 percent of the average historical generation.

Wholesale Power Market Conditions: The May market prices in the Desert Southwest averaged about \$41/MWh firm on-peak, \$30/MWh firm off-peak compared to \$41/MWh firm on-peak, \$32/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 4.233 MAF, compared to 6.815 MAF last year. Accumulated inflow for the water year-to-date is 30 percent of the 15-year average for Trinity, 49 percent for Shasta, 38 percent for Folsom, and 35 percent for New Melones. None of the reservoirs is in flood control operations at this time. Trinity storage is at 44 percent capacity, Shasta at 42 percent, Folsom nearly 50 percent, and New Melones is at 30 percent of its capacity. End of September carryover could be at an all-time low.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches or 13 percent of its average. February ended at 14.20 inches or 130 percent of its average. March came in at 10.21 inches, or 153 percent of average. April ended at 3.95 inches or 67 percent of average. May which averages 2.20 inches ended at 0.75 inches, only 34 percent of average. The cumulative total at this time is 28.80 inches or 57 percent of the annual average and there has been no measurable precipitation for June.

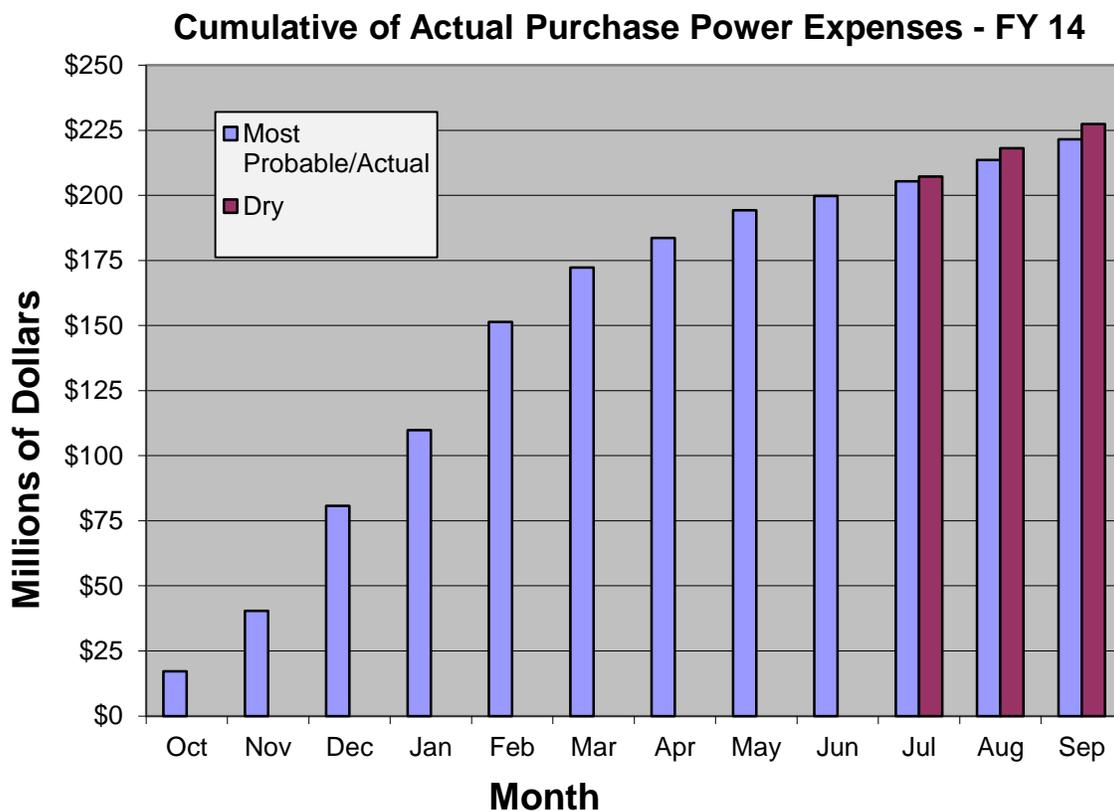
Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak April 1. Snow water equivalents are reported as a percentage of this average. As of May 23, the North is at 2 percent, the Central is at 3 percent and the South is at 1 percent of this average. The Sacramento River Index forecast of water supply, based upon May 1 conditions forecast, remains "critical" for the 90 percent exceedence as well as the 50 percent case. The 40-30-30 year type declaration based upon May 1 conditions at the 50 percent exceedence level is "critical."

The average projection of net generation is again taken from the latest modeling using the update to our customers' "Green Book." This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past fiscal year ended at approximately 91 percent of that average. Reclamation forecasts are based upon January 1 conditions, which were based upon water supply forecast of "critical" for the 90 percent exceedence and "critical" for the 50 percent exceedence. These forecasts are 66 percent and 63 percent of this "Green Book" average net generation.

Hydro Conditions and Purchase Power Monthly Outlook July 2014

Western Summary

- The most probable forecast of net generation for fiscal year (FY) 2014 is 22,736 gigawatt-hours (GWh) or 84 percent of average. October through June generation was 82 percent of average.
- The lower level forecast of generation for FY 2014 is 22,141 GWh or 82 percent of average.
- The purchased power for FY 2014 is expected to be approximately 4,631 GWh.
- The average price for purchase power across all hydro projects and off-peak and on-peak periods is expected to be \$48/megawatt-hour (MWh). This price compares to \$43/MWh last year.
- Purchase power expenses for FY 2014 are forecast to be approximately \$221 million.
- October through June purchases totaled over \$199 million – compared to \$146 million for the same period last year.



Upper Great Plains Region

Canyon Ferry: The anticipated inflow for the June through July period for Canyon Ferry Dam and Reservoir is forecast to be 253.5 thousand acre-feet (kAF) or 90 percent of the 30-year average.

As of July 16, 2014, reservoir storage at [Canyon Ferry](#) was 1,893,223 acre-feet and the active conservation pool is 100.0 percent full.

Yellowtail: Streamflows into Bighorn Lake during June continued to remain above average at 128 percent of average. Based on the July 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the July runoff into Bighorn Lake is expected to equal 301,700 acre-feet (120 percent of average).

As of July 16, 2014, reservoir storage at [Yellowtail](#) is 1,026,532 acre-feet and the active conservation pool is 100.0 percent full.

COE: The large winter snowpack caused runoff in June to be 153 percent of normal above Garrison. Although the reaches above Fort Peck had better snowpack, runoff was less than expected due to dry conditions leaving Fort Peck lower than forecasted. Heavy rains in June between Garrison and Oahe added to these pool elevations. Flooding rains on the Big Sioux River in eastern South Dakota caused some large downstream flows below Gavins Point. System generation was cut back in recent weeks to allow this water to evacuate. Some of this energy has been pushed into the late fall and winter months to evacuate the system.

Bird peaking continues at Garrison and Fort Randall for the balance of the summer.

Snow pack: July forecasted runoff for 2014 is now 130 percent of normal at 33 million acre-feet (MAF). Normal runoff is 25.2 MAF.

FY Generation: The six main stem power plants generated 752 million kilowatt-hours (kWh) of electricity in June. Total energy production for 2014 is forecasted to be 9,332 GWh, down from 9,462 GWh forecasted in June. The long-term average is approximately 10 billion kWh.

Purchased Power: We are in the summer months of the generating season, and with loads increasing prices have stayed in the upper twenties for off-peak power and on-peak power ranges up to upper thirties.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area continues to be drought free. The year-to-date reservoir inflow has been well above average. The overall LAP reservoir storage at the end of June was above average with gains in all three Basins since the end of last June. The latest National Weather Service forecast indicates August through October temperatures will more likely be below average while the precipitation is more likely to be above average. The total spring snowmelt runoff (April-July) will end up well

above average in all three basins due to the snowpack and favorable soil moisture and bank storage carrying over from the heavy fall storms.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Actual Reservoir Inflow To-Date 1,000 acre-feet			Most Probable Reservoir Inflow 1,000 acre-feet (April - July)		
	beginning of July	average	% of average	October - June	average	% of average	July forecast	average	% of average
CBT	928.5	797.5	116%	850.4	573.8	148%	770.3	588.0	131%
North Platte	1,951.3	1,837.5	106%	1,264.3	911.3	139%	1,045.0	770.0	136%
Bighorn	2,314.0	2,127.2	109%	1,750.3	1,282.8	136%	1,978.0	1,315.0	150%
TOTAL	5,193.8	4,762.2	109%	3,865.0	2,767.9	140%	3,793.3	2,673.0	142%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	July projection	average	% of average	July projection	average	% of average	July projection	average	% of average
Winter 13-14	555.3	718.0	77%	555.3	718.0	77%	555.3	718.0	77%
Summer 14	1,372.3	1,217.8	113%	1,338.2	1,217.8	110%	1,413.7	1,217.8	116%
TOTAL 2014	1,927.6	1,935.8	100%	1,893.5	1,935.8	98%	1,969.0	1,935.8	102%

The summer season generation is expected to fall between 110 and 116 percent of average with a significant drop-off in August. There were plant bypasses in the Bighorn and North Platte basins due to the heavy spring runoff. Some of the Yellowtail bypass was at the request of Western to allow for upward regulation. In the CBT a bypass was required at the Green Mountain plant, and Lake Granby did start to spill when East Slope CBT storage filled. There will be a curtailment of Adams Tunnel imports and associated CBT generation from August 4 through the Labor Day weekend as a means to improve water clarity in Grand Lake. The amount of upcoming winter generation will depend on how much water remains in storage after the irrigation season winds down.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 18,102,000 acre-feet, which is about 59 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (June 2014) were about 115 percent of average. Lake Powell elevation currently is about 3,610 feet, 90 feet from maximum reservoir level, and about 120 feet from the minimum generation level. Lake Powell elevation has increased about 32 feet since March as spring runoff entered the reservoir. Based on the current forecast, the July 24-Month Study projects Lake Powell elevation will peak at approximately 3,610 feet and end the water year near 3,605 feet with approximately 12.25 MAF in storage (50 percent capacity).

Based on the most probable inflow forecast, estimated SLCA/IP net generation for FY 2014 is 4,091 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during the FY 2014 are about \$60.7 million as compared to about \$21.7 million based on long-term average historical releases. Purchase power availability in the region is good and prices are somewhat higher than usual for this time of year. Firming purchases for the last month have been averaging in the mid \$40s on-peak and mid \$30s off-peak.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 12.505 MAF (12.954 MAF May 2014), 20.965 MAF (64-Year Historical Average).

The Lake Mead end of June 2014 elevation was 1,082.66 feet (4.8 feet lower than end of May 2014 elevation), or about 136.98 feet below full storage elevation of 1,219.64 feet and 32.66 feet above the minimum generation elevation for Hoover of 1,050 feet.

Lake Mead's elevation peaked at 1,108.75 feet in January of water year (WY) 2014 (13.57 feet below the WY 2013 peak elevation of 1,122.32 feet), and is projected to drop to a minimum elevation of 1,080.17 feet in September of WY 2014, a maximum fluctuation in lake elevation of 28.58 feet.

The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell to Lake Mead are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The projected 2014 April-July unregulated inflow into Lake Powell (as of July 16, 2014) is 7.02 MAF or 98 percent of average (actual of 2.56 MAF or 36 percent of average).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 95 percent of average and the snowpack is gone.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for June 2014 was 11 kAF. The projected side inflow into Lake Mead for WY 2014 is 649 kAF which represents a 27 percent decrease over last year's actual of 824 kAF, and represents 50 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5,336 GWh compared to 5,640 GWh (Historical Average). The projected Hoover and Parker-Davis generation for WY 2014 is 95 percent of the average historical generation.

Wholesale Power Market Conditions: The June market prices in the Desert Southwest averaged about \$45/MWh firm on-peak, \$33/MWh firm off-peak compared to \$41/MWh firm on-peak, \$30/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 3,623 MAF, compared to 5,938 MAF last year. Accumulated inflow for the water year-to-date is 30 percent of the 15-year average for Trinity, 49 percent for Shasta, 38 percent for Folsom, and 35 percent for New Melones. None of the reservoirs is in flood control operations at this time. Trinity storage is at 37 percent capacity;

Shasta at 36 percent, Folsom nearly 43 percent, and New Melones is at nearly 27 percent of its capacity. End of September carryover could be at an all-time low.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches or 13 percent of its average. February ended at 14.20 inches or 130 percent of its average. March came in at 10.21 inches, or 153 percent of average. April ended at 3.95 inches or 67 percent of average. May which averages 2.20 inches ended at 0.75 inches, only 34 percent of average. June which averages 0.97 inches ended at 0.05 inches. The cumulative total at this time is 28.97 inches or 57 percent of the annual average. July which averages 0.17 inches is at 0.12 inches now.

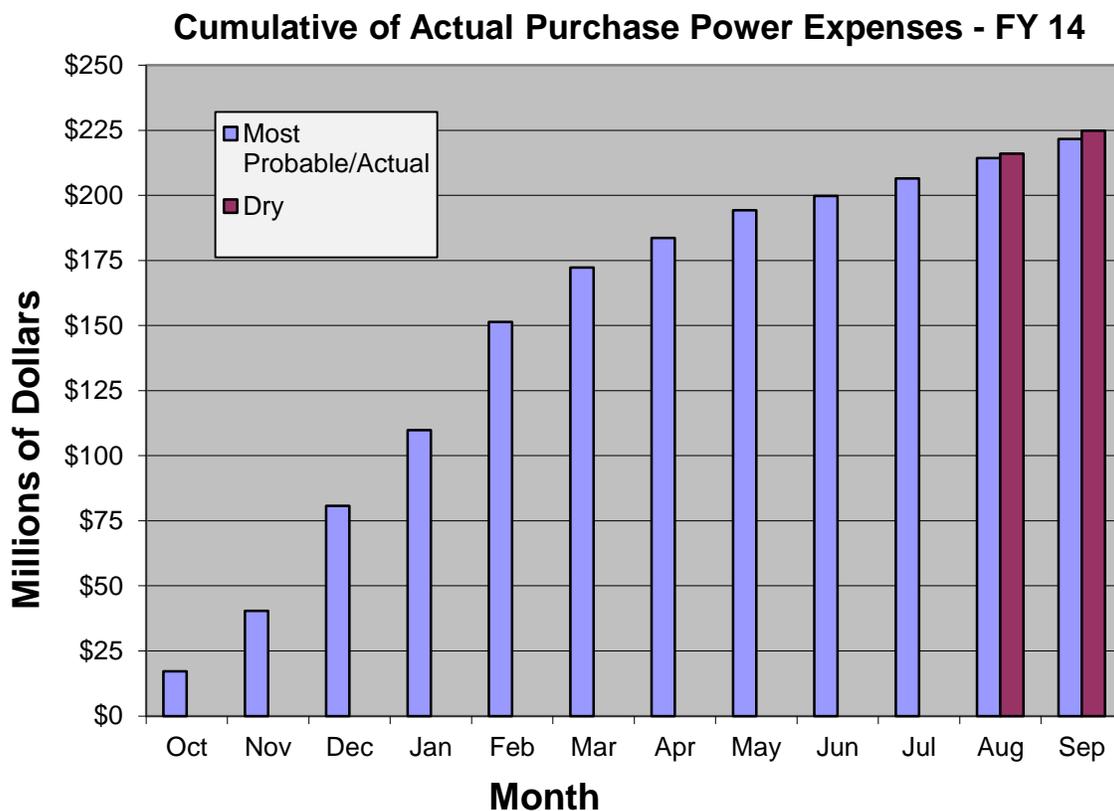
Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak April 1. Snow water equivalents are reported as a percentage of this average. As of May 23, the North is at 2 percent, the Central is at 3 percent and the South is at 1 percent of this average. The Sacramento River Index forecast of water supply, based upon May 1 conditions forecast, remains "critical" for the 90 percent exceedence as well as the 50 percent case. The 40-30-30 year type declaration based upon May 1 conditions at the 50 percent exceedence level is "critical."

The average projection of net generation is again taken from the latest modeling using the update to our customers' "Green Book." This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past fiscal year ended at approximately 91 percent of that average. Reclamation forecasts are based upon January 1 conditions, which were based upon water supply forecast of "critical" for the 90 percent exceedence and "critical" for the 50 percent exceedence. These forecasts are 67 percent and 67 percent of this "Green Book" average net generation. Reclamation had been at 800 cubic feet per second (cfs) of pumping at Tracy for some time due to Delta outflow standard. Rather than release more water from storage, on July 10 they shut down Tracy and then began a two day on and one day off cycle. Meanwhile, State Water Project pumping has remained at 1,200 cfs during this time, with a Feather River release of approximately 3,000 cfs from Oroville.

Hydro Conditions and Purchase Power Monthly Outlook August 2014

Western Summary

- The most probable forecast of net generation for fiscal year (FY) 2014 is 22,949 gigawatt-hours (GWh) or 85 percent of average. October through July generation was 84 percent of average.
- The lower level forecast of generation for FY 2014 is 22,853 GWh or 84 percent of average.
- The purchased power for FY 2014 is expected to be approximately 4,436 GWh.
- The average price for purchase power during FY 2014 across all hydro projects and off-peak and on-peak periods is expected to be \$50/megawatt-hour (MWh). The average price for FY 2013 was \$41/MWh.
- Purchase power expenses for FY 2014 are forecast to be approximately \$222 million.
- October through July purchases totaled over \$206 million – compared to \$155 million for the same period last year.



Upper Great Plains Region

Canyon Ferry: The anticipated inflow for August is forecast to be 135.0 thousand acre-feet (kAF) or 91 percent of the 30-year average. As of August 10, 2014, reservoir storage at Canyon Ferry was 1,796,812 acre-feet and the active conservation pool was 95 percent full.

Yellowtail: Streamflows into Bighorn Lake during June continued to remain above average at 140 percent of average. Based on the August 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the August runoff into Bighorn Lake was expected to equal 155,500 acre-feet (105 percent of average). As of August 10, 2014, reservoir storage at Yellowtail was 1,012,703 acre-feet and the active conservation pool is 99.2 percent full.

COE: The winter snowpack finished melting by the second week in July this year. System storage peaked on July 21 at 60.9 million acre-feet (MAF). The Fort Peck reservoir level remains a little below normal while the Garrison and Oahe levels are near normal. Warmer summer temperatures caused July precipitation to be below normal. The excessive runoff in June will provide additional energy into late fall and winter. System energy production for December through February should be 21,000 to 23,000 MWh daily. Bird peaking continues at Garrison and Fort Randall at least until the end of August.

Snow pack: August forecasted runoff for 2014 is now 129 percent of normal at 32.5 MAF. Normal runoff is 25.2 MAF.

FY Generation: The six main stem power plants generated 904 million kilowatt-hours of electricity in June. August forecasted energy production for the year dropped to 9,100 GWh, down from 9,332 GWh forecast in July. The 100-year average is approximately 10,027 GWh.

Purchased Power: We are in the summer months of the generating season, and with loads increasing prices have stayed in the upper twenties for off-peak power and on-peak power ranges up to upper thirties.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area continues to be drought free. The year to date reservoir inflow has been well above average. The overall LAP reservoir storage at the end of July was above average with gains in all three Basins since the end of last July. The latest National Weather Service forecast indicates September through November temperatures will more likely be below average in Colorado while the precipitation is more likely to be above average. The temperatures and precipitation in Wyoming are just as likely to be above normal as below normal. The total spring snow melt runoff (April-July) was well above average in all three basins due to the snowpack and favorable soil moisture and bank storage carrying over from the heavy fall storms.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Actual Reservoir Inflow To-Date 1,000 acre-feet			Spring Reservoir Inflow 1,000 acre-feet (April - July)		
	beginning of August	average	% of average	October - July	average	% of average	actual	average	% of average
CBT	947.1	776.4	122%	1,004.8	701.7	143%	860.3	588.0	146%
North Platte	1,729.9	1,636.5	106%	1,373.5	1,017.4	135%	1,078.9	770.0	140%
Bighorn	2,358.4	2,122.2	111%	2,211.1	1,572.9	141%	2,015.5	1,315.0	153%
TOTAL	5,035.4	4,535.1	111%	4,589.4	3,292.0	139%	3,954.7	2,673.0	148%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	August projection	average	% of average	August projection	average	% of average	August projection	average	% of average
Winter 13-14	555.3	718.0	77%	555.3	718.0	77%	555.3	718.0	77%
Summer 14	1,361.7	1,217.8	112%	1,353.7	1,217.8	111%	1,371.7	1,217.8	113%
TOTAL 2014	1,917.0	1,935.8	99%	1,909.0	1,935.8	99%	1,927.0	1,935.8	100%
Winter 14-15	584.7	718.0	81%	539.6	718.0	75%	653.9	718.0	91%

The summer season generation is expected to fall between 111 and 113 percent of average with a significant drop-off in August. There were plant bypasses in the Bighorn and North Platte basins due to the heavy spring runoff. Some of the Yellowtail bypass was at the request of Western to allow for upward regulation. In the CBT a bypass was required at the Green Mountain plant and Lake Granby spilled when East Slope CBT storage filled. There is a curtailment of Adams Tunnel imports and associated CBT generation from August 11 through September 1 as a means to improve water clarity in Grand Lake. The amount of upcoming winter generation will depend on how much water remains in storage after the irrigation season winds down.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 17,877,000 acre-feet, which is about 58 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (July 2014) were about 88 percent of average. Lake Powell elevation currently is about 3,607 feet, 93 feet from maximum reservoir level, and about 117 feet from the minimum generation level. Based on the current forecast, the August 24-Month study projects Lake Powell elevation will end the water year near 3,604 feet with approximately 12.112 MAF in storage (50 percent capacity).

Based on the most probable inflow forecast, estimated SLCA/IP net generation for FY 2014 is 4,121 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during FY 2014 are about \$61.4 million as compared to about \$21.7 million based on long-term average historical releases. Purchase power availability in the region is good and prices are somewhat higher than usual for this time of year.

Firming purchases for the last month have been averaging in the mid \$40s on-peak and low \$30s off-peak.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 12.347 MAF (12.505 MAF June 2014), 20.860 MAF (64-Year Historical Average).

The Lake Mead end of July 2014 elevation was 1,080.60 feet (2.1 feet lower than end of June 2014 elevation), or about 139.04 feet below full storage elevation of 1,219.64 feet and 30.6 feet above the minimum generation elevation for Hoover of 1,050 feet.

Lake Mead's elevation peaked at 1,108.75 feet in January of water year (WY) 2014 (13.57 feet below the WY 2013 peak elevation of 1,122.32 feet), and is projected to drop to a minimum elevation of 1,080.03 feet in September of WY 2014, a maximum fluctuation in lake elevation of 28.72 feet.

The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell to Lake Mead are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The projected 2014 April-July unregulated inflow into Lake Powell (as of August 18, 2014) is 6.923 MAF or 97 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 101 percent of average and the snowpack is gone.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for July 2014 was 55 kAF. The projected side inflow into Lake Mead for WY 2014 is 640 kAF which is a 22 percent decrease over last year's actual of 824 kAF, and represents 49 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5,343 GWh compared to 5,639 GWh (Historical Average). The projected Hoover and Parker-Davis generation for WY 2014 is 95 percent of the average historical generation.

Wholesale Power Market Conditions: The July market prices in the Desert Southwest averaged about \$46/MWh firm on-peak, \$32/MWh firm off-peak compared to \$45/MWh firm on-peak, \$33/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 3.064 MAF, compared to 5.132 MAF this time last year. Accumulated inflow for the water year-to-date is 29 percent of the 15-year average for Trinity, 51 percent for Shasta, 41 percent for Folsom, and 36 percent for New Melones. None of the reservoirs is in flood control operations at this time. Trinity storage is at 29 percent capacity; Shasta at 31 percent, Folsom at 39 percent, and New Melones is at 23 percent of its capacity. End of September carryover could be at an all-time low.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches or 13 percent of its average. February ended at 14.20 inches or 130 percent of its average. March came in at 10.21 inches, or 153 percent of average. April ended at 3.95 inches or 67 percent of average. May which averages 2.20 inches ended at 0.75 inches, only 34 percent of average. June which averages 0.97 inches ended at 0.05 inches. July which averages 0.17 inches ended at 0.22 inches or 128 percent of average. The cumulative total at this time is 29.71 inches or 59 percent of the annual average.

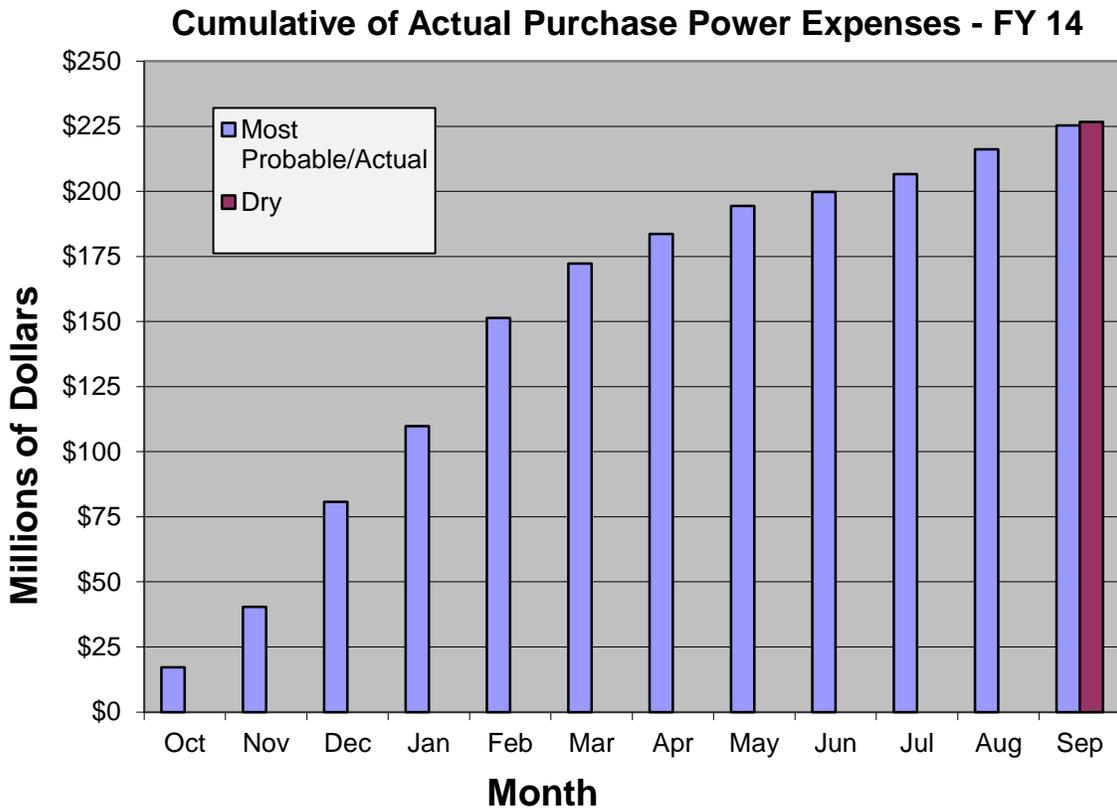
Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak April 1. Snow water equivalents are reported as a percentage of this average. As of May 23, the North was at 2 percent, the Central is at 3 percent, and the South is at 1 percent of this average. The Sacramento River Index forecast of water supply, based upon May 1 conditions forecast, remains "critical" for the 90 percent exceedence as well as the 50 percent case. The 40-30-30 year type declaration based upon May 1 conditions at the 50 percent exceedence level is "critical."

The average projection of net generation is again taken from the latest modeling using the update to our customers' "Green Book." This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past fiscal year ended at approximately 91 percent of that average. Reclamation forecasts are based upon January 1 conditions, which were based upon water supply forecast of "critical" for the 90 percent exceedence and "critical" for the 50 percent exceedence. These forecasts are 65 percent and 63 percent of this "Green Book" average net generation. Reclamation continues with their cycling of Delta pumping, causing them to pump 230 cubic feet per second (cfs), 570 cfs, or 800 cfs daily. Meanwhile, State Water Project pumping is now at 1,000 cfs, with a Feather River release of approximately 1,700 cfs from Oroville.

Hydro Conditions and Purchase Power Monthly Outlook September 2014

Western Summary

- The most probable forecast of net generation for fiscal year (FY) 2014 is 23,110 gigawatt-hours (GWh) or 85 percent of average. October through August generation was 84 percent of average.
- The lower level forecast of generation for FY 2014 is 22,926 GWh or 84 percent of average.
- The purchased power for FY 2014 is expected to be approximately 4,512 GWh.
- The average price for purchase power during FY 2014 across all hydro projects and off-peak and on-peak periods is expected to be \$50/megawatt-hour (MWh). The average price for FY 2013 was \$41/MWh.
- Purchase power expenses for FY 2014 are forecast to be approximately \$225 million.
- October through August purchases totaled \$216 million – compared to \$169 million for the same period last year.



Upper Great Plains Region

Canyon Ferry: The anticipated inflow for September is forecast to be 191.9 thousand acre-feet (kAF) or 111 percent of the 30-year average. As of September 7, 2014, reservoir storage at [Canyon Ferry](#) was 1,736,611 acre-feet and the active conservation pool was 91.8 percent full.

Yellowtail: Streamflows into Bighorn Lake during August continued to remain above average at 135 percent of average. Based on the September 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the September runoff into Bighorn Lake is expected to equal 211,800 acre-feet (130 percent of average). As of September 7, 2014, reservoir storage at [Yellowtail](#) was 1,040,002 acre-feet and the active conservation pool was 100.0 percent full.

COE: Cooler than normal temperatures along with above normal runoff has been the story for the summer of 2014. Runoff was near record levels in August for the three largest reservoirs. Rains in Montana and the Dakotas have added to Fort Peck and Oahe reservoir levels. Releases at Gavins Point are normally 17,000 cubic feet per second (cfs) during the winter months, but are expected to be 20,000 cfs this winter due to the additional runoff. Spilling will take place at both Gavins Point and Fort Randall this fall to accommodate the additional water and annual maintenance at Fort Randall. System energy production for December through February should be 23,000 to 25,000 MWh daily. The September forecasted runoff for 2014 is now 141 percent of normal at 35.6 million acre-feet (MAF) (normal is 25.2 MAF).

FY Generation: The six main stem power plants generated 962 million kilowatt-hours of electricity in August. The September forecasted energy production for the year increased to 9,900 GWh, up from 9,100 GWh forecasted in August. 10,027 GWh is the 100-year average.

Purchased Power: We are in the fall months of the generating season and with loads decreasing, but more units offline for scheduled maintenance, prices are expected to be in the low \$20s for off-peak power and the low \$30s for on-peak power.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area continues to be drought free. The year-to-date reservoir inflow has been well above average. The overall LAP reservoir storage at the end of August was above average with gains in all three Basins since the end of last August. The latest National Weather Service forecast indicates October through December temperatures will more likely be above normal in the Bighorn Basin in Wyoming and just as likely to be above normal as below normal elsewhere in Colorado and Wyoming. The precipitation is just as likely to be above normal as below normal in Colorado and Wyoming. The total spring snow melt runoff (April-July) was well above average in all three basins due to the snowpack and favorable soil moisture and bank storage carrying over from the heavy fall storms.

LAP Water Conditions At-A-Glance									
	Reservoir Storage 1,000 acre-feet			Actual Reservoir Inflow To-Date 1,000 acre-feet			Spring Reservoir Inflow 1,000 acre-feet (April - July)		
	beginning of September	average	% of average	October - August	average	% of average	actual	average	% of average
CBT	913.8	718.9	127%	1,073.0	759.3	141%	860.3	599.4	144%
North Platte	1,487.1	1,296.3	115%	1,425.7	1,055.9	135%	1,139.8	781.0	146%
Bighorn	2,319.7	1,971.6	118%	2,354.8	1,668.5	141%	1,756.9	1,199.4	146%
TOTAL	4,720.6	3,986.8	118%	4,853.5	3,483.7	139%	3,757.0	2,579.8	146%
Net At Plant Generation Projections (GWh)									
	Most Probable Case median inflow			Reasonable Minimum Case lower decile inflow			Reasonable Maximum Case upper decile inflow		
	September projection	average	% of average	September projection	average	% of average	September projection	average	% of average
Winter 13-14	555.3	718.0	77%	555.3	718.0	77%	555.3	718.0	77%
Summer 14	1,356.0	1,217.8	111%	1,351.9	1,217.8	111%	1,360.7	1,217.8	112%
TOTAL 2014	1,911.3	1,935.8	99%	1,907.2	1,935.8	99%	1,916.0	1,935.8	99%
Winter 14-15	598.8	718.0	83%	578.1	718.0	81%	625.0	718.0	87%

The summer season generation is expected to total about 111 percent of average. There was a significant drop-off in August due to a curtailment of Adams Tunnel imports and associated CBT generation from August 11 through September 1 as a means to improve water clarity in Grand Lake. There were plant bypasses in the Bighorn and North Platte basins due to the heavy spring runoff. Some of the Yellowtail bypass was at the request of Western to allow for upward regulation. In the CBT a bypass was required at the Green Mountain plant and Lake Granby spilled when East Slope CBT storage filled. The amount of upcoming winter generation will depend on how much water remains in storage after the irrigation season winds down.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 17,607,000 acre-feet, which is about 57 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (August 2014) were about 106 percent of average. Lake Powell elevation currently is about 3,606 feet, 94 feet from maximum reservoir level, and about 116 feet from the minimum generation level. Based on the current forecast, the September 24-Month study projects Lake Powell elevation will end the water year near 3,604 feet with approximately 12.112 MAF in storage (50 percent capacity).

Based on the most probable inflow forecast, estimated SLCA/IP net generation for FY 2014 is 4,160 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Estimated purchase power expenses for firming during FY 2014 are about \$61.5 million as compared to about \$21.7 million based on long-term average historical releases. Purchase power availability in the region is good and prices are typical for this time of year. Firming purchases for the last month have been averaging in the low \$30s off-peak and mid \$40s on-peak.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 12.396 MAF (12.347 MAF July-2014), 20.728 MAF (64-Year Historical Avg). The Lake Mead end of August 2014 elevation was 1,081.55 feet (0.95 feet higher than end of July 2014 elevation), or about 138.09 feet below full storage elevation of 1,219.64 feet and 31.6 feet above the minimum generation elevation for Hoover of 1,050 feet. Lake Mead's elevation peaked at 1,108.75 feet in January of water year (WY) 2014 (13.57 feet below the WY 2013 peak elevation of 1,122.32 feet), and is projected to drop to a minimum elevation of 1,080.07 feet in September of WY 2014, a maximum fluctuation in lake elevation of 28.68 feet. The Lake Powell operational tier for WY 2014 is currently the Mid-Elevation Release Tier. Total releases from Lake Powell to Lake Mead are projected to average about 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The observed 2014 April-July unregulated inflow into Lake Powell (as of September 10, 2014) was 6.923 MAF or 97 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. The WY 2014 precipitation is currently 103 percent of average and the snowpack is gone.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for August 2014 was 112 kAF. The projected side inflow into Lake Mead for WY 2014 is 635 kAF which represents a 30 percent decrease over last year's actual of 824 kAF, and represents 49 percent of the normal annual side inflow of 1.3 MAF.

Forecasted WY 2014 Generation: 5,307 GWh compared to 5,637 GWh (Historical Average). The projected Hoover and Parker-Davis generation for WY 2014 is 94 percent of the average historical generation.

Wholesale Power Market Conditions: The August market prices in the Desert Southwest averaged about \$41/MWh firm on-peak, \$32/MWh firm off-peak compared to \$46/MWh firm on-peak, \$32/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 2.668 MAF, compared to 4.661 MAF this time last year. Accumulated inflow for the water year-to-date is 29 percent of the 15-year average for Trinity, 52 percent for Shasta, 42 percent for Folsom, and 36 percent for New Melones. None of the reservoirs is in flood control operations at this time. Trinity storage is at 25 percent capacity; Shasta at 26 percent, Folsom at 36 percent, and New Melones is at 21 percent of its capacity. End of September carryover could be at an all-time low.

The Northern Sierra Eight Station index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches or 13 percent of its average. February ended at 14.20 inches or 130 percent of its average. March came in at 10.21 inches, or 153 percent of average. April ended at 3.95 inches or 67 percent of average. May which averages 2.20 inches ended at 0.75 inches, only 34 percent of average. June which averages 0.97

inches ended at 0.05 inches. July which averages 0.17 inches ended at 0.22 inches or 128 percent of average. August which averages 0.27 inches ended at 0.64 inches. September which averages 0.79 inches was at 0.59 inches as of September 25, 2014. The cumulative total on that date was 30.3 inches or 60 percent of the annual average.

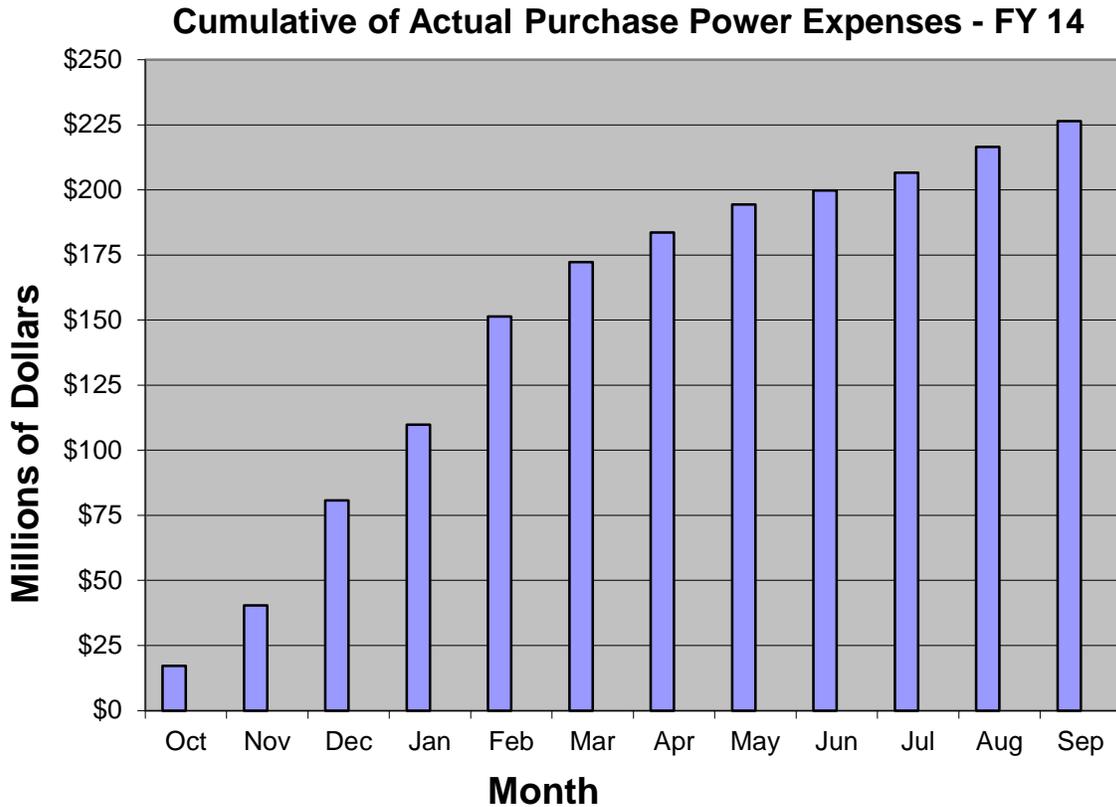
Water year type forecasting begins in December, but snow surveying doesn't begin until January. The snowpack is assumed to reach its peak as of April 1. Snow water equivalents are reported as a percentage of this average. As of May 23, the North is at 2 percent, the Central is at 3 percent and the South is at 1 percent of this average. The Sacramento River Index forecast of water supply, based upon the May 1 conditions forecast, remains "critical" for the 90 percent exceedence as well as the 50 percent case. The 40-30-30 year type declaration based upon May 1 conditions at the 50 percent exceedence level is "critical."

The average projection of net generation is again taken from the latest modeling using the update to our customers' "Green Book." This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource and Full Load Service Customers. This past fiscal year ended at approximately 91 percent of that average. Reclamation forecasts are based upon January 1 conditions, which were based upon water supply forecast of "critical" for the 90 percent exceedence and "critical" for the 50 percent exceedence. These forecasts are both 60 percent of this "Green Book" average net generation. Reclamation stopped the cycling of Delta pumping due to a problem with the State's pumping. Reclamation is currently at two units of pumping and is providing 1 kAF of water to the State.

**Hydro Conditions and
Purchase Power Report
October 2014**

Western Summary

- Fiscal year (FY) 2014 ended with net generation of 22,938 gigawatt-hours (GWh), or 88 percent of average.
- The amount of power purchased for FY 2014 was 4,547 GWh, compared to FY 2013 purchases of 4,428 GWh.
- The average price for purchase power across all hydro projects and off-peak and on-peak periods was \$50/megawatt-hour (MWh). The average price for FY 2013 was \$41/MWh.
- Purchase power expenses for FY 2014 were \$226.4 million, compared to \$181.5 million for FY 2013. The breakdown for the FY 2014 purchases, in millions, is: UGPR - \$80.0, RMR - \$21.1, CRSP - \$62.0, DSW - \$5.7, and SNR - \$57.6.



Upper Great Plains Region

Canyon Ferry: The anticipated inflow for October is forecast to be 282.1 thousand acre-feet (kAF) or 114 percent of the 30-year average. As of October 8, 2014, reservoir storage at Canyon Ferry was 195,589 acre-feet and the active conservation pool was 89.7 percent full.

Yellowtail: Streamflows into Bighorn Lake during September were 135 percent of average. Based on the October 1 water supply forecast and the planned releases out of Boysen and Buffalo Bill Reservoirs, the October runoff into Bighorn Lake is expected to equal 187,600 acre-feet or 117 percent of average. As of October 8, 2014, reservoir storage at Yellowtail was 1,007,279 acre-feet and the active conservation pool was 98.7 percent full.

COE: Several large rainfall events in September caused above normal runoff to persist on the Missouri River system, which continues to keep the three largest reservoirs above normal heading into the winter season. System storage peaked in September with 61.3 million acre-feet (MAF). Gavins Point releases are expected to be 20,000 cubic feet per second through the winter due to the continued runoff, and energy production this winter looks to be better than the last few years. The October forecasted runoff for 2014 remains at 35.5 MAF or 141 percent of normal. Normal runoff is 25.2 MAF. The October forecasted energy production for the year decreased slightly to 9,818 GWh. This is down from the September forecast of 9,898 GWh.

FY Generation: The six main stem power plants generated 1,043 GWh of electricity in September, and the total energy production for FY 2014 was 9,571 GWh. 10,027 GWh is the 100-year average.

Purchased Power: We are in the fall months of the generating season, and with loads decreasing but more units offline for scheduled maintenance, prices are expected to be in the mid \$20s for off-peak power and the mid \$30s for on-peak power.

Rocky Mountain Region

The Loveland Area Projects (LAP) reside in both the Upper Missouri and Upper Colorado basins. Hydrologic conditions can vary from one river basin and watershed to another. The three LAP watersheds are the Bighorn River Basin in Wyoming, the North Platte River Basin in Colorado and Wyoming, and the headwaters of the Colorado River Basin in Colorado.

The LAP area continues to be drought free. The snowpack peaked at the normal time this year with peaks of 135 percent of average in the Bighorn Basin, 112 percent in the North Platte, and 140 percent in the Upper Colorado headwaters of the Colorado-Big Thompson Project (CBT). Good soil moisture and stream bank storage carrying over from a very wet fall season and a very good snowpack resulted in reservoir inflows that were well above average in all three river basins. Water demands were below normal due to a rather cool and wet summer and the resulting overall LAP reservoir storage at the end of September was above average with gains in all three river basins since last September. The latest National Weather Service forecast indicates November through January temperatures will more likely be above average in Wyoming with an equal chance of being above or below normal in Colorado. The precipitation in that same period is just as likely to be above as below average in Colorado and all but the

northwest portion of Wyoming. The precipitation is more likely to be below average in Wyoming's Bighorn Basin.

LAP Water Conditions At-A-Glance							Net At Plant Generation Projections (GWh)			
	Reservoir Storage 1,000 acre-feet			Actual Annual Reservoir Inflow 1,000 acre-feet			FY2014 Actual Generation FY2015 Winter Projection			
	end of FY2014	average	% of average	FY2014	average	% of average		average	% of average	
CBT	864.4	699.9	124%	1,123.0	792.0	142%	Winter 13-14	555.3	718.0	77%
North Platte	1,425.2	1,209.7	118%	1,470.7	1,081.1	136%	Summer 14	1,336.3	1,217.8	110%
Bighorn	2,198.6	1,899.9	116%	2,442.1	1,741.6	140%	TOTAL 2014	1,891.6	1,935.8	98%
TOTAL	4,488.2	3,809.5	118%	5,035.8	3,614.7	139%	Winter 14-15	551.1	718.0	77%

LAP generation was near average in FY 2014, with the winter generation well below average and the summer generation above average. There was an extended CBT outage due the flooding last September. Reclamation drained Lake Estes and curtailed all imports through Adams Tunnel through early December to allow for the removal of sediment and debris washed into the Lake by the flood. Imports resumed in mid-December and heavier Adams Tunnel imports later in the winter shifted normal October and November CBT generation into February and March. There were minimum winter reservoir releases and associated generation in the North Platte Basin due to depleted reservoir storage.

There were plant bypasses in the Bighorn and North Platte basins in the spring due to the heavy snowmelt runoff. Some of the Yellowtail bypass was at the request of Western to allow for upward on-peak regulation in the WACM balancing authority while other load following plants were loaded to capacity. In the CBT a bypass was required at the Green Mountain plant and Lake Granby spilled when East Slope CBT storage filled. The generation was, however, below average in August due to a curtailment of Adams Tunnel imports and associated CBT generation from August 11 through the September 1 as a means to improve water clarity in Grand Lake.

Winter generation is based on reservoir storage at the end of the irrigation season and reservoir releases required to achieve spring reservoir storage targets. Spring reservoir targets may be modified as mountain snowpack develops over the winter and early spring. The upcoming winter season generation is expected to be about 77 percent of average and seasonal energy purchases have been arranged to support LAP firm electric service commitments.

Colorado River Storage Project Management Center

The total storage volume for the CRSP main stem reservoirs is 17,636,000 acre-feet, which is about 57 percent of the total main stem reservoir storage capacity. Main stem reservoir inflows for the most recent historical month (September 2014) were about 131 percent of average. Lake Powell elevation currently is about 3,606 feet, 94 feet from maximum reservoir level and about 116 feet from the minimum generation level. Based on the current forecast, the October 24-Month study projects Lake Powell elevation will end the water year near 3,605 feet with approximately 12.286 MAF in storage (51 percent capacity).

Based on the most probable inflow forecast, estimated SLCA/IP net generation for FY 2014 is 4,160 GWh as compared to 5,584 GWh based on the long-term historical average generation.

Purchase power expenses for firming during FY 2014 were \$62 million, as compared to about \$21.7 million based on long-term average historical releases. Purchase power availability in the region is good and prices are typical for this time of year. Firming purchases for the last month have been averaging in the low \$30s off-peak and low \$40s on-peak.

Desert Southwest Region

Current Aggregate Storage (Mead, Mohave & Havasu): 12.349 MAF (12.396 MAF August 2014), 20.614 MAF (64-Year Historical Average). The Lake Mead end-of-September 2014 elevation was 1,081.33 feet (0.22 feet lower than end of August 2014 elevation), or about 138.31 feet below full storage elevation of 1,219.64 feet and 31.33 feet above the minimum generation elevation for Hoover of 1,050 feet. Lake Mead's elevation peaked at 1,108.75 feet in January of water year (WY) 2014 (13.57 feet below the WY 2013 peak elevation of 1,122.32 feet), and dropped to a minimum elevation of 1,080.6 feet in July of WY 2014, a maximum fluctuation in lake elevation of 28.15 feet. The Lake Powell operational tier for WY 2014 was the Mid-Elevation Release Tier. Total releases from Lake Powell to Lake Mead were 7.48 MAF for WY 2014 (actual of 8.232 MAF for WY 2013). The observed 2014 April-July unregulated inflow into Lake Powell was 6.923 MAF or 97 percent of average (actual of 2.56 MAF or 36 percent of average for 2013).

Basin Snow Pack and Precipitation: DSW hydrology, or the Lower Colorado River Basin, is mostly dependent on the Colorado River Basin snow pack and precipitation above Lake Powell. WY 2014 ended with a precipitation of 106 percent of average. Observed precipitation for September was 125 percent. Forecasted precipitation for October is 146 percent, November is 106 percent, and December is 105 percent.

Lower Basin Runoff: The lower basin tributary inflow into Lake Mead for September 2014 was 138 kAF. The observed side inflow into Lake Mead for WY 2014 was 675 kAF which represents a 18 percent decrease over last year's actual of 824 kAF, and 52 percent of the normal annual side inflow of 1.3 MAF.

Actual WY 2014 Generation (Parker, Davis & Hoover): 5,311 GWh compared to 5,636 GWh (Historical Average). The actual Hoover and Parker-Davis generation for WY 2014 was 94 percent of the average historical generation.

Wholesale Power Market Conditions: The September market prices in the Desert Southwest averaged about \$41/MWh firm on-peak and \$32/MWh firm off-peak, compared to \$41/MWh firm on-peak and \$32/MWh firm off-peak for the previous month.

Sierra Nevada Region

The total storage of the four major CVP reservoirs is 2.629 MAF, compared to 4.841 MAF last year. The water year ended on September 30 with 2.212 MAF less storage than last water year. Accumulated inflow for the water year ended at 29 percent for Trinity, 52 percent for Shasta, 42 percent for Folsom, and 36 percent for New Melones.

The Northern Sierra Eight Station Index averages slightly more than 50 inches of precipitation per water year. October recorded precipitation totaled 0.72 inches, or 23 percent of the monthly average. November recorded precipitation totaled 1.66 inches, or 26 percent of average. December came in at 0.92 inches, or 10 percent of average. January came in at 1.20 inches, or 13 percent of its average. February ended at 14.20 inches, or 130 percent of its average. March came in at 10.21 inches, or 153 percent of average. April ended at 3.95 inches, or 67 percent of average. May, which averages 2.20 inches, ended at 0.75 inches or only 34 percent of average. June, which averages 0.97 inches, ended at 0.05 inches. July, which averages 0.17 inches, ended at 0.22 inches or 128 percent of average. August, which averages 0.27 inches, ended at 0.64 inches. September, which averages 0.79 inches, ended at 1.63 inches. The cumulative total for the water year was 31.34 inches, or 62 percent of the annual average.

The snowpack is assumed to reach its peak April 1. Snow water equivalents are reported as a percentage of this average. By June 9, the snowpack was gone. The Sacramento River Index forecast of water supply, based upon the May 1 conditions forecast, was “critical” for the 90 percent exceedence as well as the 50 percent case. The 40-30-30 year type declaration based upon May 1 conditions at the 50 percent exceedence level was also “critical.”

The average projection of net generation is again taken from the latest modeling using the update to our customers’ “Green Book.” This average, at 3.34 GWh, is less than the 3.63 GWh from the CVPIA PEIS planning studies. Under the Post 2004 Marketing Plan, net generation, after Project Use load, First Preference Customer load and sub-control area reserve requirement, becomes the Base Resource which is allocated among the Base Resource, Variable Resource, and Full Load Service Customers. The previous fiscal year ended at 91 percent of that average, and this year ended at 60 percent of that average. Delta outflow remains an issue. Reclamation continues to cycle Delta pumping with two days “on” and one day “off.”