

BPA'S PROPOSED LIBBY OPERATION

November 6, 2002

BPA proposes to run one unit at Libby through November. Outlined below are some of the key factors that may affect the flow levels out of Libby dam in the months of January, December and November. BPA would like to use available flexibility in December in order to maximize the value of the available water. Most likely this will result in higher flows early in the month and lower flows during the holidays that are within the SOR's range.

January

1. End of January Flood Control Elevation as defined by January Final Volume Forecast
 - o The end of January flood control elevation will determine how much water needs to be drafted from Libby to provide sufficient space for flood control. If the flood control elevation is greater than 2408', then the project will likely operate at minimum project outflows.
 - o Per BPA modeling, there is a 66% chance of being within the SOR flows (i.e., 10.6 kcfs or less).
2. Implementation of VARQ

All estimates above assume implementation of VARQ. If VARQ is not implemented, the flood control elevations are lowered and the likelihood of having to discharge water from Libby dam is increased. The result is decreased probabilities of meeting the SOR.
3. Northwest Regional Temperatures

All estimates above assume normal temperatures. If the region experiences below normal temperatures, increased generation from Libby may be contemplated which could result in decreasing the probability of meeting the SOR.

December

1. Actual Libby Inflow

High inflows during the month of December would reduce the ability to back off flows over the holiday week. Current BPA estimates are that we have a 50/50 chance to be within the SOR for the holiday week.
2. Northwest Regional Temperatures

Cold temperatures during the last half of December could require increased generation from Libby that could result in decreasing the probability of meeting the SOR.

November

Actual Libby Inflow

High inflows during the month of November would affect the ability to stay at one unit for the entire month. Outflows might have to be increased to position the reservoir to achieve an end of December flood control elevation of 2411'.