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# ***Parker-Davis Project***

Preliminary FY 2008  
Annual Operating Plan  
May 10, 2007

# Agenda

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- Introduction
- Hydrology Update
- Status of FY 2007 Operating Plan
- U.S.B.R. Projections for PDP Generation
- Preliminary FY 2008 Operating Plan
- FY 2008 Surplus/Deficit
- FY 2008 Operating Strategies
- Open Discussion
- Next Steps

# Hydrology Update

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- FY07 Upper Basin Inflow Projected To Be About 69% of Normal (Normal=12.1 MAF/yr)
- FY07 Lower Basin Inflow Expected To Be About 53% of Normal (Normal=1.3 MAF/yr)
- Lake Powell Storage Expected To Be About 48% of Capacity By End Of FY2007 (Capacity=24.3 MAF)
- Lake Mead Storage Expected To Be About 48% of Capacity By End Of FY2007 (Capacity=25.9 MAF)

# FY08 Water Releases

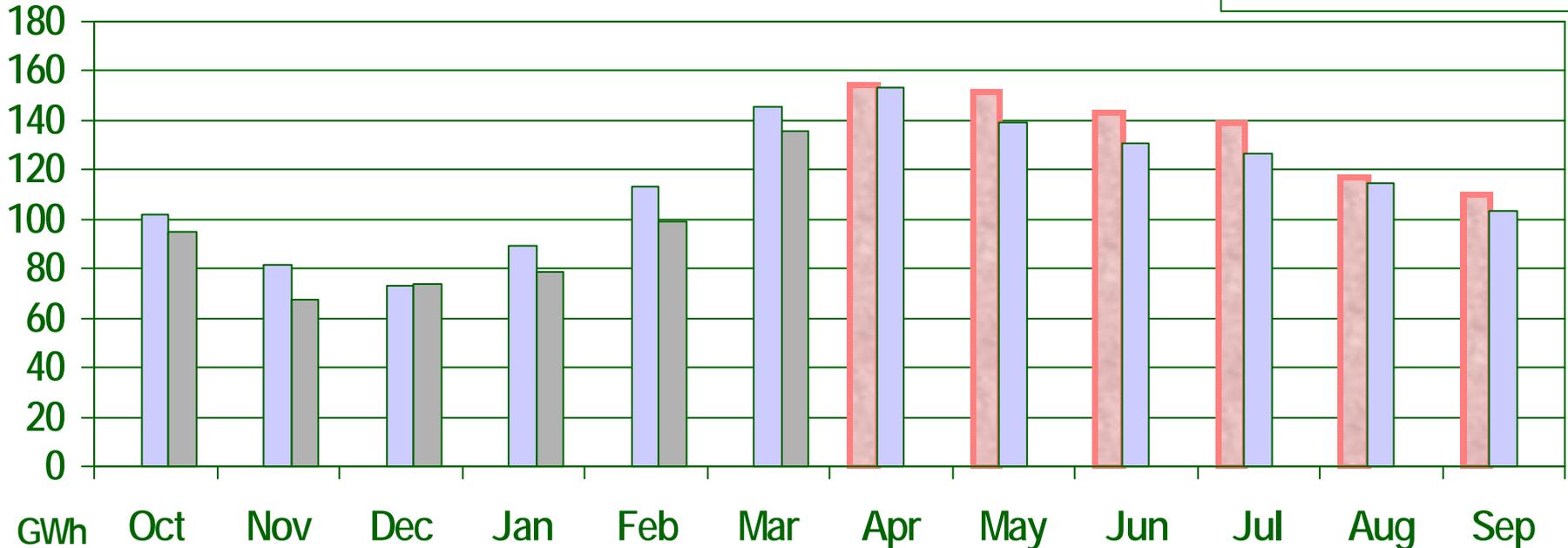
- For FY2008, Normal Condition Expected To Govern Releases (Based on Mead elevation currently forecasted to be below 1125 ft. on Jan 1,'08)
- Projected Releases:
  - Mead: Projected To Be 0.4% Below FY06 (FY06=9.4 MAF)
  - Davis: Projected To Be 1.8% Below FY06 (FY06=9.2 MAF)
  - Parker: Projected To Be 0.7% Above FY06 (FY06=6.7 MAF)

# Current Status FY2007 AOP

Current Total Gen 1366.8 GWh

05/09/06 Total Gen 1372.2 GWh

## FY 2007 PDP Generation



# Current Status FY2007 AOP

## Parker Davis Project

Actuals GWh

Estimates GWh

		Prior Year Balance	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
<b>Resources</b>															
Parker Generation			30.8	24.1	21.8	24.7	31.4	45.5	50	48.08	49.1	49.8	40.4	36.4	452.1
MWD's Parker Share			-17.7	-13.77	-12.56	-12.63	-13.5	-22.75	-25	-24.04	-24.55	-24.9	-20.2	-18.2	-229.8
Davis Generation			81.7	57.1	64.5	66.9	81.3	112.7	130	127.7	119.1	114.1	97.2	92.2	1144.5
<b>Net Generation</b>			<b>94.8</b>	<b>67.4</b>	<b>73.7</b>	<b>79.0</b>	<b>99.2</b>	<b>135.5</b>	<b>155.0</b>	<b>151.7</b>	<b>143.7</b>	<b>139.0</b>	<b>117.4</b>	<b>110.4</b>	<b>1366.8</b>
Purchases			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Resources:</b>			<b>94.8</b>	<b>67.4</b>	<b>73.7</b>	<b>79.0</b>	<b>99.2</b>	<b>135.5</b>	<b>155.0</b>	<b>151.7</b>	<b>143.7</b>	<b>139.0</b>	<b>117.4</b>	<b>110.4</b>	<b>1366.8</b>
<b>Loads</b>															
<b>Total PDP Firm Load</b>			77.8	75.4	75.4	75.8	70.0	138.2	136.9	140.7	137.3	142.9	141.3	134.1	1345.8
Excess			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Surplus Sales			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PDP / BATO Deviation	-27.1		-32.1	4.4	-2.0	-11.9	20.3	9.5	8.7	10.6	6.4	0.3	3.5	10.4	1.1
Hoover Bank	7.2		49.1	-12.4	0.3	15.0	8.9	-12.3	9.4	0.4	-0.1	-4.2	-27.4	-34.1	0.0
<b>Total Loads:</b>			<b>94.8</b>	<b>67.4</b>	<b>73.7</b>	<b>79.0</b>	<b>99.2</b>	<b>135.5</b>	<b>155.0</b>	<b>151.7</b>	<b>143.7</b>	<b>139.0</b>	<b>117.4</b>	<b>110.4</b>	<b>1366.8</b>

# FY 2007 AOP Status

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- Current Surplus 21 GWHs
- Current Surplus Shows A Reduction To BATO Deviation
- 1.1 GWHs Year End Deviation With BATO

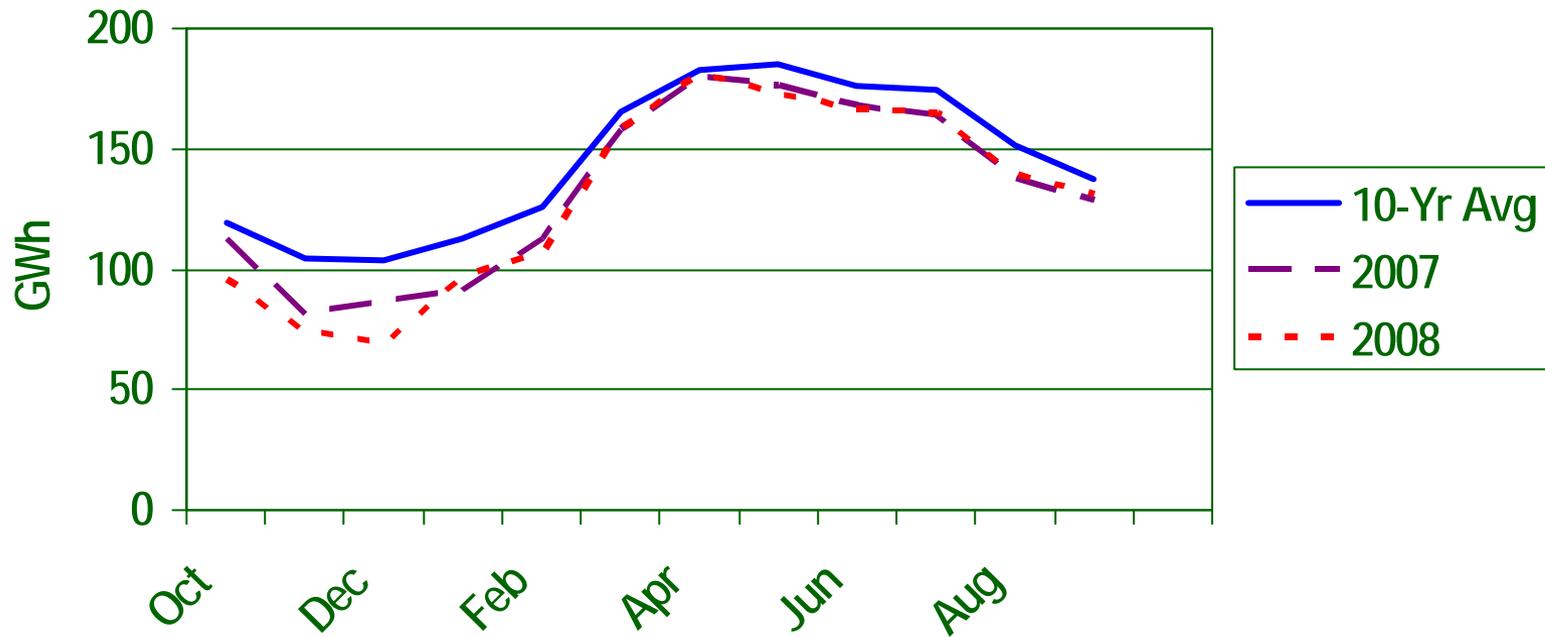
# Current Generation Energy Bank Balances

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- SWOG as of 04/16/07
  - \$ 2,275,966.93
- OEA as of 04/05/07
  - \$ 339,935.50
- Total = \$2,615,902.43

# USBR Generation Projections

## Parker-Davis Generation



# Preliminary FY 2008 AOP

## Parker Davis Project

Estimates GWh

		Prior Year Balance	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
<b>Resources</b>															
Parker Generation			30.1	22	18.3	22.5	26.7	46	51.9	48.9	49.8	49.7	40.6	36.6	443.1
MWD's Parker Share			-15.1	-11	-9.15	-11.25	-13.4	-23	-26	-24.45	-24.9	-24.9	-20.3	-18.3	-221.6
Davis Generation			65.7	52.3	50.9	74.3	79.8	112.1	129.3	124.1	116.7	115.3	98.5	94.5	1113.5
<b>Net Generation</b>			<b>80.8</b>	<b>63.3</b>	<b>60.1</b>	<b>85.6</b>	<b>93.2</b>	<b>135.1</b>	<b>155.3</b>	<b>148.6</b>	<b>141.6</b>	<b>140.2</b>	<b>118.8</b>	<b>112.8</b>	<b>1335.1</b>
Bank Purchase			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchases for PDP			0.0	0.0	0.0	0.0	0.0	5.0	5.0	0.0	0.0	0.0	0.0	0.0	10.0
<b>Total Resources:</b>			<b>80.8</b>	<b>63.3</b>	<b>60.1</b>	<b>85.6</b>	<b>93.2</b>	<b>140.1</b>	<b>160.3</b>	<b>148.6</b>	<b>141.6</b>	<b>140.2</b>	<b>118.8</b>	<b>112.8</b>	<b>1345.1</b>
<b>Loads</b>															
<b>Total PDP Firm Load</b>			<b>77.8</b>	<b>74.2</b>	<b>75.4</b>	<b>74.9</b>	<b>69.3</b>	<b>138.2</b>	<b>136.9</b>	<b>140.7</b>	<b>137.9</b>	<b>142.9</b>	<b>141.5</b>	<b>136.0</b>	<b>1345.8</b>
Energy Bank Sales			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Excess			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Surplus Sales			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PDP / BATO Deviation	1.1		10.0	-2.0	-2.0	2.0	1.0	0.0	0.0	5.0	-5.0	-10.0	-1.0	1.2	0.3
Hoover Bank	0.0		-7.1	-8.9	-13.4	8.6	22.8	1.9	23.4	2.9	8.7	7.3	-21.7	-24.4	0.0
<b>Total Loads:</b>			<b>80.8</b>	<b>63.3</b>	<b>60.1</b>	<b>85.6</b>	<b>93.2</b>	<b>140.1</b>	<b>160.3</b>	<b>148.6</b>	<b>141.6</b>	<b>140.2</b>	<b>118.8</b>	<b>112.8</b>	<b>1345.1</b>

# Preliminary FY 2008 AOP

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- No PDP Excess Energy or Surplus Sales Expected
- A total of 4,077 MWh's of FES exchange requests will be accommodated through the Resource Integration Exchange Program
- Stage 2 exchanges between one BCP and one PDP contractor

# Preliminary FY 2008 AOP

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- **Projected Purchases:**
  - Current Projections Indicate The Need For Purchases In March & April of FY2008
  - Utilizing Forward Prices, Cost Of Purchased Power Is Estimated At \$700,000

# Recommended FY 2008 Operating Strategies

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- Retain Approximately \$2 million balance in the Energy Banks
- Minimize rate impact through utilization of PDP/ BATO Deviation and Energy Banks
- Continue dialogue with customers for purchase power requirements
- Resource Integration Exchange Program has a net zero impact on energy obligation for PDP
- Minimize Hoover Banking through utilization of PDP/ BATO Deviation

# FY 2008 AOP – Next Steps

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- Open discussion
- Next steps
  - June 13, 2007: PDP Informal Rates Meeting
  - July 19, 2007: PDP Funding Board Meeting
  - October 1, 2007: FY 2008 Begins

**PARKER-DAVIS PROJECT**  
**Preliminary FY2008 Annual Operating Plan**  
**MAY 10, 2007**

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**PARKER-DAVIS PROJECT**  
**Preliminary FY2008 Annual Operating Plan**  
**MAY 10, 2007**

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