

Dear Interested Party:

October 26, 2006

Thank you for taking time to provide us with your comments regarding our proposed Yellowtail Dam and Bighorn Lake fall/winter 2006-2007 operating plan. Approximately 85 people attended our public meeting on this topic in Billings, Montana, on October 12, 2006, and we received written comments from 10 groups or individuals.

After carefully considering the public feedback from our October 12 meeting and the written comments submitted to us, we have now updated the October plan. The level of Bighorn Lake is currently at elevation 3608.8. The plan has been adjusted to more closely reflect the actual inflows that have occurred since October 1. We have decided to maintain the releases to the Bighorn River at 1,500 cubic feet per second (cfs).

However, in an effort to recognize the importance of storing more water in the lake when possible and still meet all the multi-use needs we can, we are not planning to increase the releases above 1,500 cfs in April 2007 as originally proposed. Our plan is to maintain this 1,500 cfs release as long as we can into the spring and possibly summer months while we take into account the need to adequately preserve enough flood control space for public safety purposes.

The amount of snowpack that we actually receive this winter and next spring will be monitored closely so we provide enough flood control protection and yet allow the lake to fill above elevation 3615 feet more quickly. The elevation 3615 feet is significant since this is the elevation at which boats can be launched at Horseshoe Bend Recreation Area. The possibility also exists that if the actual snowpacks are extremely bleak this winter and spring the 1,500 cfs release could need to be revisited and possibly reduced some amount in the future.

We will continue to update the Yellowtail Dam and Bighorn Lake operations plan monthly. These plans can be accessed through the Web site at www.usbr.gov/gp/mtao.

Some of the public comments submitted to us contained useful information which went beyond what we were specifically seeking for the purpose of setting our release flows for this fall. We intend to continue discussions with these commentators to obtain additional clarification to ensure we understand the nature and context of their comments.

We are committed to continue exploring opportunities for enhancing benefits for all Yellowtail beneficiaries through collaborative efforts with interested parties and stakeholders from both Montana and Wyoming. Please feel free to provide us with additional information as this operational season progresses. We look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Jewell", written in a cursive style.

Dan Jewell
Area Manager