



SOUTH FEATHER WATER & POWER AGENCY

TO: Board of Directors

FROM: Kathy Petersen, Power Division Manager

DATE: September 17, 2008

RE: General Information (regarding matters not scheduled on agenda)
9/23/8 Board of Directors Meeting

Operations

Attached is the Storage and Generation Report for August 2008. Also attached are charts showing the storage at Little Grass Valley and Sly Creek reservoirs through Labor Day. The end of September target elevation at Little Grass Valley reservoir of 5,022 feet will be met, maintaining water on the boat ramps in compliance with the Davis-Grunsky contract.

In October, the draft from Little Grass Valley Reservoir will be increased to draw down the reservoir for winter, and to allow access to the spillway channel upstream of the dam so that the crew can clean rock slides out of the approach channel. The flow will be ramped up to 350 cfs by the afternoon of October 2, and will be ramped down to minimum flow around October 21. A letter describing the proposed operations has been sent to property owners at Little Grass Valley to let them know why the reservoir will be drawn down about 7.5 feet more by the end of the month than in the past few years.

Maintenance Projects

Fall Outage Plans

The fall outage season starts October 13 when the Woodleaf Step-up Transformer replacement project begins. That outage is expected to last six weeks, and PG&E crews will take the lead on the project. Kelly Ridge Powerhouse and Miners Ranch Conduit will also be taken out of service on October 13 for annual maintenance, and that work will be done by SFWPA Power and Water Division personnel. Outages at Forbestown and Sly Creek powerhouses will also be completed in conjunction with the Woodleaf outage.

Forbestown Diversion Trash Rake

The trash rake installation project is nearing completion. The monorail structure is in place and the electrical control work is nearly finished. I expect to have a video of the rake in operation to show you at your October Board meeting.



Forbestown Headquarters Welding



Shop Extension

With the structural work on the trash rake completed, Bob Cherry and other members of the crew are resuming work on the welding shop extension at Forbestown headquarters. In preparation for pouring the concrete foundation, they have removed the layer of asphalt in that part of the yard and are identifying and capping as necessary old lines that are no longer in use.

General Information

FERC Inspection

On September 2 - 4, FERC conducted the annual inspection of the power facilities, including the powerhouses, penstocks and Little Grass Valley, Sly Creek, Lost Creek, Ponderosa and Miners Ranch dams. A new engineer has been assigned to the South Feather Project and quite a bit of time was spent orienting him to the facilities.

EAP Face-to-Face Meeting

On September 18, SFWPA and PG&E co-hosted an annual meeting with the Plumas and Butte County emergency response agencies to review the dam safety emergency actions plans for the North and South forks of the Feather River.

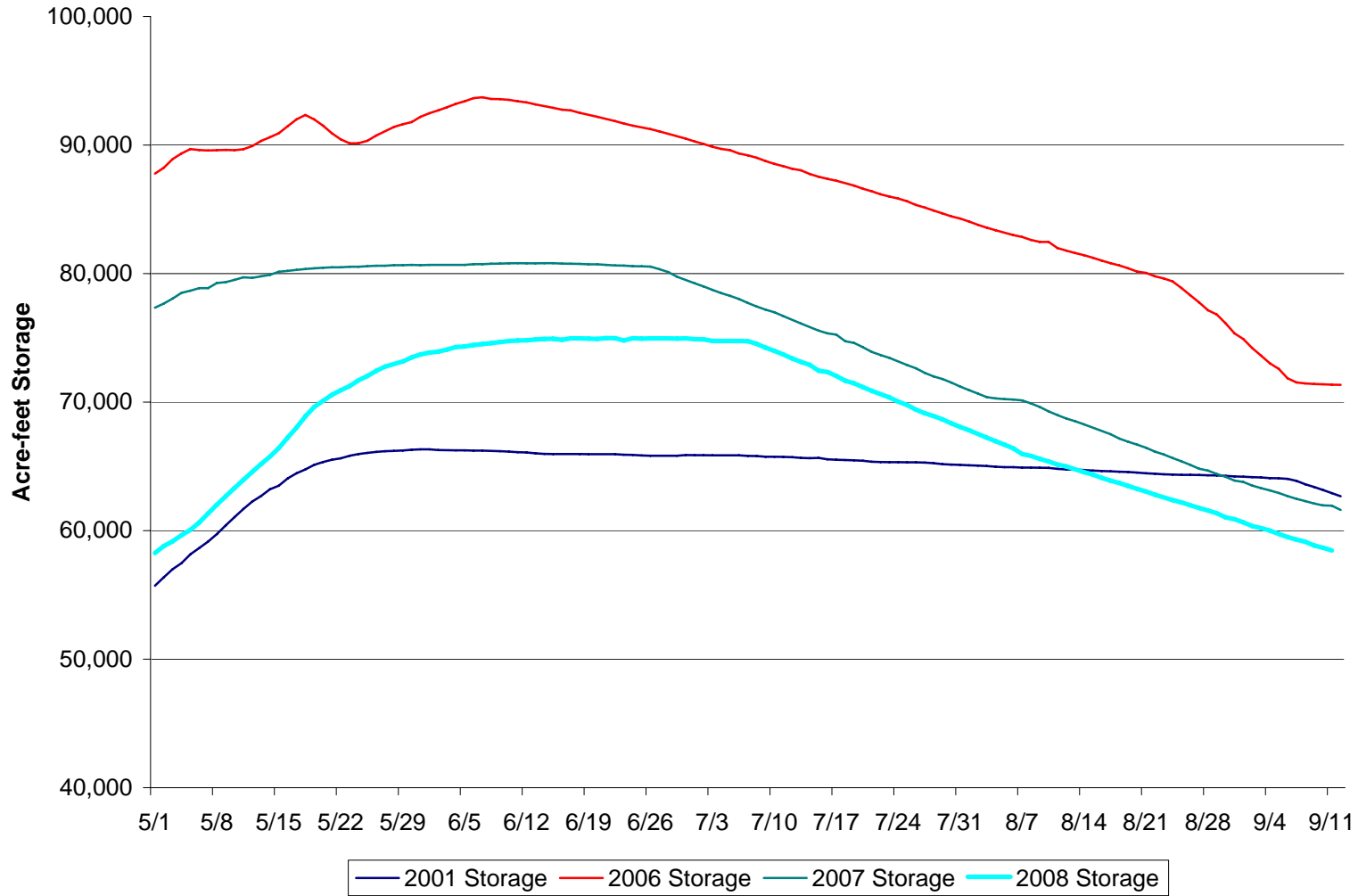
**SOUTH FEATHER WATER AND POWER
SOUTH FEATHER POWER PROJECT
August 2008
STORAGE**

RESERVOIR	MAXIMUM CAPACITY	STORAGE ON 8-31-08	STORAGE ON 8-31-07
Little Grass Valley	89,804 AF	60,893 AF	63,894 AF
Sly Creek	64,338 AF	23,037 AF	29,295 AF
Lost Creek	5,361 AF	5,004 AF	4,586 AF
Forbestown Diversion	352 AF	322 AF	303 AF
Ponderosa	4,178 AF	3,668 AF	4,237 AF
Miners Ranch	896 AF	718 AF	667 AF
TOTAL	164,929 AF	93,642 AF	102,982 AF
Slate Creek Tunnel	800 CFS	N/A CFS	2 CFS
South Fork Tunnel	600 CFS	102 CFS	125 CFS
Miners Ranch Canal	303 CFS	258 CFS	245 CFS

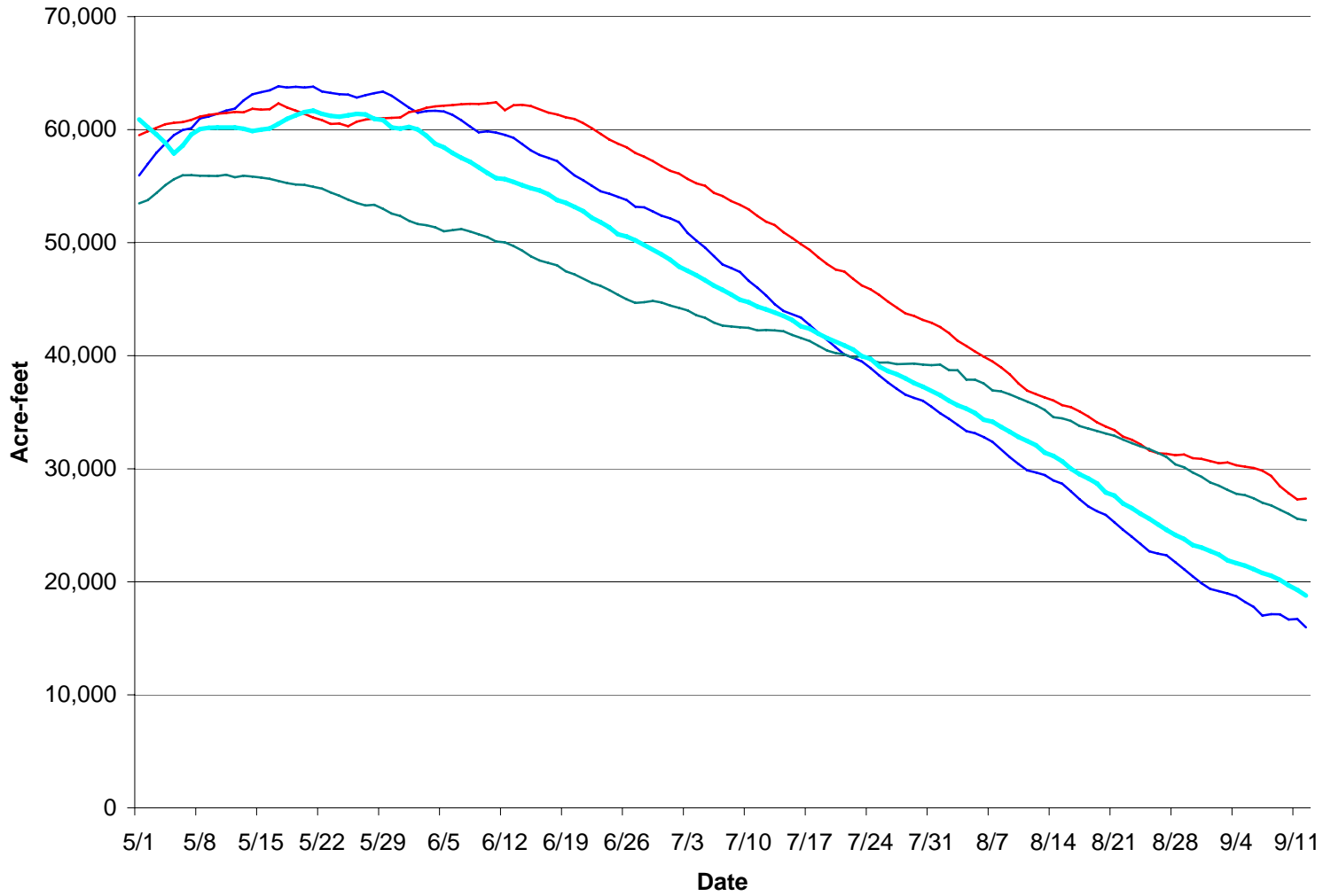
MONTHLY NET GENERATION

	FOR August 2008	YEAR TO DATE ON 8-31-08	YEAR TO DATE ON 8-31-07
Woodleaf P.H.	24,303,810 KWH	127,848,560 KWH	118,187,230 KWH
Forbestown P.H.	13,275,560 KWH	75,322,760 KWH	70,239,400 KWH
Kelly Ridge P.H.	7,233,182 KWH	50,571,390 KWH	52,501,148 KWH
Sly Creek P.H.	3,268,100 KWH	16,621,200 KWH	14,958,800 KWH
TOTAL	48,080,652 KWH	270,363,910 KWH	255,886,578 KWH

Little Grass Valley Storage



Sly Creek Storage



— 2001 Storage — 2006 Storage — 2007 Storage — 2008 Storage