

**LOW WATER CONDITION IN THE GREAT LAKES LEAD TO CONTINUING
REDUCTIONS
IN JAMESTOWN HYDROPOWER ALLOCATIONS**

Continuing low water conditions in the Great Lakes and St. Lawrence drainage basin will have an effect on the hydropower allocation sold to New York State municipal utilities during the month of September, including the Jamestown Board of Public Utilities (BPU).

In a recent letter to BPU Interim General Manager David Leathers, New York Power Authority (NYPA) officials advised the BPU that NYPA will implement a five percent (5%) reduction in hydro energy sales on a pro-rata basis to all hydropower customers for September.

NYPA continues to be concerned about the river flows projected for 2007-2008. Current estimates are a 10.1% shortage for October, no shortage for November, no shortage for December, a 0.4% shortage for January 2008, a 5.5% shortage for February 2008, and no shortage for March, 2008.

NYPA officials noted that they will continue to analyze more current data monthly and provide this type of rolling six-month forecast each month.

Leathers explained that the five percent decrease in the BPU's hydropower allocation in September will mean a loss of approximately 2,000 megawatt hours of hydropower for the Jamestown Area customers. The BPU's Samuel A. Carlson Generating Plant will operate at higher levels as necessary to offset the loss of hydropower allocation in the coming months.

To the typical BPU residential electric customer, who pays an average electric bill of less than \$50 a month, the decrease in hydropower allocation this month signifies an approximate \$1 increase per month in the fuel adjustment portion of the bill.

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