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Repayment Format and Content Requirements

1. **Purpose of this Appendix.** To provide format and content presentation requirements for repayment data in the Statement of Project Construction Cost and Repayment (SPCCR). The objective of establishing standardized requirements is to ensure consistent data presentation so the data can be consolidated in a meaningful way for presentation to Reclamation users, project beneficiaries, and other external entities.
2. **SPCCR Summary Statement –General Repayment Column Content and Format Requirements.** Regions are required to use the columnar format displayed in the table below for all SPCCR summary statements. Regions can prepare supplemental summaries if they have a need to present summary information by irrigation district or by power feature but such summaries cannot replace this required summary statement. Only the three primary group headings are presented in this table. The detailed presentation requirements for each group is discussed in detail later in this Appendix.

<u>Repayment</u>	<u>Support Schedule</u>	<u>Project Total</u>	<u>Irrigation</u>	<u>Power</u>	<u>Municipal and Industrial</u>	<u>Recreation</u>	<u>Flood Control</u>	<u>Continue</u> (See note 1)	<u>Nonreimb. Safety of Dams Costs</u> (See note 2)
Repayment Realized		\$	\$	\$	\$	\$	\$	\$	\$
Anticipated Future Repayment									
Total Repayment									
Other Credits									
Total Repayment and Other Credits									
Excess of Repayment over Cost									

Note 1: A separate column is required for every project purpose identified for a project; including each nonreimbursable project purpose.

Note 2: Record Safety of Dams (SOD) repayment under the project purpose that makes the repayment. No repayment will appear in the Nonreimbursable SOD Costs column

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- A. **Include all Repayment and Credits.** All repayment coverage must be reported in the SPCCR. This requirement includes repayment contracts, executed and proposed, other revenue generating transactions, repayment offsets (realized and anticipated income) and other credits applied toward the repayment of project construction expenditures.
- B. **Single Purpose Projects or Features.** No supporting schedules are required when the entire amount reported on a line is associated with a single feature that has a single purpose allocation, for example, an irrigation canal, or a power plant.
- C. **Zero Balances.** Line items that have a zero balance to be reported may be omitted from the statement.
- D. **Allocations.** Repayments must be allocated to authorized project purposes, irrigation divisions, and other repayment entities in accordance with executed and proposed contract repayment provisions, consistent with the allocation of the cost of the facilities with which associated, or such other methods as provided in the approved payout plan. Unidentified sources for repayment of future development costs must be shown under **Anticipated Future Repayment** group. Allocations for pumping power must be shown as line entries when needed for clarification or when material to the project.
- (1) **Irrigation Suballocations.** Repayments or credits allocated to irrigation shall be further allocated to divisions. Where costs and credits pertaining to Warren Act (February 21, 1911; ch. 141, 36 Stat. 925; 43 U.S.C. § 523) contracts are involved, they may be grouped in a single column with appropriate heading which in some instances may be a "Storage Division."
 - (2) **Costs Not Covered.** Any cost not covered by existing repayment arrangements must be reported under the **Anticipated Future Repayment** group or else under the **Other Credits** group. These costs must be allocated to the appropriate project purpose. The authorization must be reported as a footnote.
 - (3) **Asset Transfers.** If the project transferred assets and the corresponding repayment responsibility, i.e., such as transmission lines to Western Area Power Administration (Western), the costs must be included in cost section under the **PP&E** group of the SPCCR and an offset must be included under the **Other Credits** group is required on the SPCCR.
 - (4) **Long-Term Asset Revenue Presentation.** If long-term asset costs are reported on the SPCCR, such as the acquisition cost of power income rights of water users, power revenues realized and anticipated, as a return thereof, will be shown under the repayment section in the power allocation column of the summary statement.
 - (5) **Deficits.** Do not show negative income under repayment with a resulting unauthorized excess of cost over repayment.

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- (6) **Unique Allocations.** Refer to Appendix C – *Cost Format and Content Requirements*, Paragraph 2.D. for authorized situations when a unique allocation column can be used in an SPCCR. If costs have been allocated to a unique allocation column, repayment realized and anticipated future repayment associate for that allocation must also be presented in that column.

3. Repayment Realized Group – Group Content and Format Requirements.

<u>Line Item</u>	<u>Support Schedule</u>	<u>Project Total</u>	<u>Project Purpose 1</u>	<u>Project Purpose 2</u>	<u>Nonreimb. Safety of Dams Costs</u>
Repayment Realized					
Repayment contracts – Matured		\$	\$	\$	\$
Rehabilitation and Betterment Contracts – Matured					
Repayment of Other Physical Property					
Contributions					
Excess of Income over Expense					
Power Revenues					
Irrigation Water Service & Rentals					
Municipal & Irrigation (M&I) Water Service & Rentals					
Repayment Realized from Other Sources					
Other – Capitalized O&M					
Other – Capitalized Equipment					
Other – Buildings					
Other – Aid to Irrigation					
Other (specify source)					
Colorado River Development Fund					
Loans – Drought Emergency Assistance – Matured					

- A. **Data Source.** The repayment realized information reported on the SPCCR must agree with what is reported in Reclamation’s accounting system and the balances must tie back by SGL account. Any repayment information not available in the accounting system must be footnoted and supported by other historical documentation.
- B. **Separate Revenues by Type.** Show the amount applicable to specific revenues separately by type of revenue, such as power revenues or repayment contracts. In addition, show the amount applicable to equipment purchased with water users’

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advances separately. The distribution of non-specific charge-offs to functions, divisions, and repayment entities will follow the distribution of costs based upon the pertinent authorized repayment requirements.

- (1) **Contracts.** The Repayment Contracts – Matured line item pertains to contracts executed pursuant to The Reclamation Act (June 17, 1902; ch. 1093, 32 Stat. 388; 43 U.S.C. § 391), and the Reclamation Project Act of 1939 (August 4, 1939; Public Law 260; ch. 418, sec 9(c)(1) and 9(d), 53 Stat. 1194). Fully matured and repaid contracts must continue to be reported as both Cost and Repayment items. Such repayment accomplishments are significant and **must not be deleted** from the SPCCR after completion.
 - (a) Net revenue under water service contracts executed pursuant to the Reclamation Project Act of 1939 (August 4, 1939; Public Law 260; ch. 418, sec 9(c)(2) and 9(e), 53 Stat. 1194) must be included in the amount reported under Excess of Income Over Expense.
 - (b) Use a separate line titled **SOD Repayment Contracts – Matured** to record repayment received for reimbursable portions of capitalized SOD costs.
- (2) **Contributions.** Contributions are reported as a separate line on the summary statement. Provide the detailed information on supporting schedule, Schedule E – *Repayment Realized*. The supporting schedule requirements are identified in Paragraph 6.A.(1) below.
- (3) **Federal Funds.** Federal funds are not contributions; they must be reported under the **Other Credits** group.
- (4) **Prepayments or Deductions.** Certain projects, for example the Colorado River Storage Project and Participating Projects, had their allocations developed by deducting certain “prepaid” contributions or Colorado River Development Fund charges before applying a formula to the balance. In order to have a consistent presentation of all the varying methods of allocating costs, the outline for the SPCCR must show those prepaid deductions as repayment. In effect, this presentation reverses the steps of the original allocation, but the resulting presentations must be in agreement.
- (5) **Excess of Income Over Expense.** Excess of Income Over Expense will include the portion of revenues retained in SGL 331A (Cumulative Results of Operations), categorized as Net Revenue Pending Distribution at the reporting date, which may in part accrue to the United States as a partial return of reimbursable construction cost. This balance will include only those revenues not disclosed on another specific repayment realized line item. Such net income must be given recognition in the summary statement as Repayment Realized.

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- (6) **Other – Capitalized O&M.** Reclamation law requires that all O&M assets be repaid in the year incurred including those that are capitalized. Capitalized O&M assets are considered part of Reclamation's construction costs and, as such, must be included in the SPCCR. Appendix C provides the reporting requirements in each of the appropriate sections. Report capitalized O&M repayment received on a separate line titled **Other – Capitalized O&M**.
 - (7) **Other – Specify.** Present amounts received from unique repayment arrangements or sources on a separate line titled **Other with a source identifier**.
 - (a) Report all aid to irrigation repayments received on a separate line titled: **Other – Aid to Irrigation**.
 - (b) When capitalized equipment repayment is received as part of current-year O&M repayment, based upon annual depreciation expense, report the repayment on a line titled **Other – Equipment Unfunded Depreciation**.
 - (c) When building construction cost repayment is received as part of the current-year O&M repayment, based upon annual depreciation expense, report the repayment on a line titled **Other – Building Unfunded Depreciation**.
 - (8) **Minor Amounts.** Minor amounts of nonoperating income or incidental revenues such as grazing leases and building rentals, may be consolidated. This includes front-end and tail-end credits associated with incidental revenues. The supporting schedule shall contain a listing of the component amounts by source. The totals must be in agreement with the related SGL balances as of the date of the report.
4. **Anticipated Future Repayment Group – Group Content and Format Requirements.**
- A. **Lines that Mirror the Repayment Realized Group.** Most of the line items in this group will be very similar to those in the for **Repayment Realized** group, Paragraph 3.B. above. For these lines, report the balances that are not yet due or are unpaid. There are several different lines in this group also. The table on the following page includes the most common examples.

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<u>Line Item</u>	<u>Support Schedule</u>	<u>Project Total</u>	<u>Project Purpose 1</u>	<u>Project Purpose 2</u>	<u>Nonreimb. Safety of Dams Costs</u>
Anticipated Future Repayment					
Repayment contracts – Unmatured		\$	\$	\$	\$
Future Repayment Contracts					
Rehabilitation and Betterment Contracts – Unmatured					
Future Repayment of Other Physical Property					
Contributions - Anticipated					
Excess of Income over Expense					
Power Revenues					
Irrigation Water Service & Rentals					
M&I Water Service & Rentals					
Other (specify source)					
Anticipated Future Repayment from Other: Sources					
Colorado River Development Fund					
Unfunded Depreciation					
Loans – Drought Emergency Assistance – Unmatured					

- (1) **Power Revenues.** Future Power revenues reported on the power line must be in an amount sufficient to reflect full recovery of costs allocated to this project purpose.
- (2) **Water Service Contracts.** In many instances, there is no specific payout period for all project costs to be recovered through irrigation and M&I water service contracts executed pursuant to the Reclamation Project Act of 1939 (August 4, 1939; Public Law 260; ch. 418, sec 9(c)(2) and 9(e), 53 Stat. 1194). Water service contracts are generally renewable for the continued recovery of unpaid project costs. In those cases, estimated future revenues reported on the irrigation water service contracts line and the M&I water service contracts line will be the amount sufficient to reflect full recovery of costs allocated to this activities.
- (3) **SOD Repayment Contracts.** Use a separate line titled **SOD Repayment Contracts – Unmatured** to identify anticipated repayment due for reimbursable SOD construction work.

B. Future Repayment Contracts. The **Anticipated Future Repayment** group includes a line titled Future Repayment Contracts. Include all contracts under negotiation or expected to be negotiated pursuant to the Reclamation Project Act of 1939 (August 4, 1939; Public Law 260; ch. 418, sec 9(c)(1) and 9(d), 53 Stat. 1194) on this line. Specify the contract authorities that apply to each line item recorded in this section. The Reclamation Safety of Dams Act of 1978 (November 2, 1978; Public Law 95-578;

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92 Stat. 2471; 43 U.S.C. §506), Rehabilitation and Betterment Act (October 7, 1949; Public Law 335; ch. 650, 63 Stat. 724), and Amend Small Reclamation Projects Act of 1966 (September 2, 1966; Public Law 89-553; 80 Stat. 350) are examples of other contract authorities that support amounts reported in this section. Project specific legislation will also apply to amounts reported in this section.

- C. **Aid to Irrigation.** The amount of anticipated future repayment associated with aid to irrigation must be recorded in the **Irrigation** allocation column with the separate line item entitled: Power Revenues – Aid to Irrigation. Record the aid as a negative anticipated repayment entry under the irrigation column, which will effectively reduce the irrigators' repayment obligation. Then record an offsetting positive entry on the same line for anticipated repayment under the commercial power column, which will increase the commercial power customer's repayment obligation. The Pacific Northwest (PN) Region has the Third Powerplant, Grand Coulee Dam legislation (June 14, 1966; Public Law 89-448; 80 Stat. 200), which is their primary aid to irrigation repayment authorizing legislation. The PN Region has some projects that do not have a power component but the Bonneville Power Administration is still responsible for the aid to irrigation repayment. In such cases, the region must footnote the authority.
- D. **Construction in Abeyance.** Record an entry in the **Anticipated Future Repayment** group equal to any construction in abeyance balances reported under the PP&E group and Other Costs group in the cost section. Record the entry on a separate line titled Construction in Abeyance. The allocation between project purposes must match the **PP&E** group and **Other Costs** group allocation in the cost section. This anticipated repayment line must remain on the SPCCR until Congress deauthorizes the project or project feature that generated the costs.
- E. **Unfunded Depreciation.** A line titled **Unfunded Depreciation** must be used to report the total of the reimbursable capitalized equipment and building construction balances to be repaid annually based upon the annual depreciation expense plus the balance of the nonreimbursable capitalized equipment and building construction balances.
- F. **Minor Differences.** Minor costs not yet adjusted on the repayment contracts must be shown as future repayment rather than Excess of Cost Over Repayment. The latter category is intended primarily for those projects with repayment problems pending before Congress.
5. **Other Credits Group – Group Content and Format Requirements.** The table on the following page includes line items most commonly found in SPCCR preparation. It is recognized that additional line categories may be necessary to meet unique situations encountered on a particular project.

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<u>Line Item</u>	<u>Support Schedule</u>	<u>Project Total</u>	<u>Project Purpose 1</u>	<u>Project Purpose 2</u>	<u>Nonreimb. Safety of Dams Costs</u>
Other Credits					
Repayment Reduction Authorized					
Chargeoffs Authorized by Congress					
Nonreimbursable Construction Expense (1)					(2)
Cost assumed or to be assumed:					
By _____ Project					
By _____ Agency					
(1)	The legislative authority for nonreimbursable costs must be cited as a footnote on the summary statement and/or on the supporting schedule.				
(2)	This is where the nonreimbursable Safety of Dams costs must be offset.				

- A. **Other Federal Agency Costs.** In cases where costs incurred by other agencies (Corps of Engineers), but not recorded in Reclamation's accounts, are included in the reimbursable cost of the project, the nonreimbursable portion must be shown **Other Credits – Nonreimbursable** line in this group. This is particularly true of the Pick-Sloan Missouri Basin Program. While these costs are not recorded in Reclamation's accounts, the costs are included in the SPCCR.
- B. **Costs Assumed by another Federal Agency.** Costs funded by another Federal agency are not true repayments since the other Federal agency usually incurs the costs directly rather than transfers funds to Reclamation. Never the less, when the other Federal agencies expenditures contribute to the construction of a Reclamation-owned asset, these amounts must be included in the **Other Credits** group.
- C. **Asset Transfers.** Reclamation costs, such as the transmission lines and the repayment responsibility that was transferred to Western, are shown as an offset in this group. If the cost transfers have been completed, the balance in SGL account 331C must be in agreement with the cost allocation. If the transfers have not been completed, this line amount must be increased to the amount of the allocation, with the balance in SGL account 331C and balance to complete shown in the supporting schedule.
- D. **Appropriated Fund – Repayment.** Report Federal funds applied as repayment of costs incurred in this group.
- E. **Nonreimbursable Amounts.** Nonreimbursable amounts reported in the cost section must be offset by a matching nonreimbursable amount under the **Other Credits** group in the repayment section. The legal authority cited in the cost section must be cited here as well.

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F. **Costs Assumed by Other Projects.** The amount reported as Costs Assumed by Other Projects must offset the related amount of construction costs so allocated. Show repayment of other agency costs (Corollary Costs) in this **Other Credits** group.

6. **Supporting Schedules – Specific Requirements.**

A. Each supporting schedule must equal the corresponding group presented in the summary statement repayment section; the schedule letter and title for each supporting schedule must be presented at the top of each page of the schedule. The regions determine the format used for the supporting schedule, except the schedule letter and title must be consistent with format established in this D&S in Paragraphs 6.A.(1) through 6.A.(3). The following standardized supporting repayment schedule letters and names must be used whenever included in an SPCCR package:

- (1) **Schedule E – Repayment Realized.** For each significant contribution amount, this supporting schedule must show the contributor(s) name, date, purpose, and amount. The total must be followed with a summary of total amounts relating to each benefiting division keyed to the listing, together with the project features to which the contributions apply. Minor contributions under 10 percent of total cost may be summarized showing the project feature or features to which the contribution applies and the total amount applicable to each feature.
- (2) **Schedule F – Anticipated Future Repayment.**
- (3) **Schedule G – Other Credits.**