

**Attachment A  
Figure 3**

**Reclamation Manual  
Directives and Standards**

Sample Project, Texas  
Interest During Construction  
Power, M&IW and Recreation

| Cost Auth No.                                  | /Year Feature/Cost Authority Description | 1987      | 1988      | 1989CY Costs | 1989 Transfer 2/ | 1990             | 1991             | 1992           | 1993           | 1994 Transfer 3/ | 1994 CY Costs  | TOTAL            |
|--|--|-----------|-----------|--------------|------------------|------------------|------------------|----------------|----------------|------------------|----------------|------------------|
| I. Accrued annual costs by feature and purpose |  |           |           |              |                  |                  |                  |                |                |                  |                |                  |
| MULTIPURPOSE PLANT                             |  |           |           |              |                  |                  |                  |                |                |                  |                |                  |
| 0001   | Preconstruction Costs                    | 3,700,000 | 700,000   | 60,000       | (4,460,000)      |                  |                  |                |                |                  |                | 0                |
| 0003   | New Creek Dam and Reservoir              | 100,000   | 4,450,000 | 3,460,000    | 1,300,000        | 3,700,000        | 4,000,000        | 7,500,000      | 2,500,000      |                  | 2,000,000      | 29,010,000       |
| 0005   | Relocate Highways and Roads              | 150,000   | 260,000   | 300,000      | 2,370,000        | 550,000          | 4,600,000        | 1,200,000      | 500,000        |                  | 50,000         | 9,980,000        |
| 0009   | Visitors Center - Nonreimbursable        |           |           |              |                  | 2,000            | 40,000           | 110,000        | 60,000         |                  | 10,000         | 222,000          |
| 0010   | Communications Equipment                 |           |           |              |                  | <u>4,000</u>     | <u>1,020,000</u> | <u>200,000</u> | <u>350,000</u> |                  | <u>40,000</u>  | <u>1,614,000</u> |
| Subtotal Multipurpose Plant                    |  | 3,950,000 | 5,410,000 | 3,820,000    | (790,000)        | 4,256,000        | 9,660,000        | 9,010,000      | 3,410,000      | 0                | 2,100,000      | 40,826,000       |
| ELECTRIC PLANT                                 |  |           |           |              |                  |                  |                  |                |                |                  |                |                  |
| 0002   | New Bridge                               | 190,000   | 850,000   | 100,000      |                  |                  |                  |                |                | (1,140,000)      |                | 0                |
| 0006   | New Powerplant                           |           | 300,000   | 2,500,000    | 790,000          | 2,500,000        | 3,000,000        | 5,200,000      | 8,000,000      |                  | 6,500,000      | 28,790,000       |
| 0007   | Turbines, Generators & Transmission      |           |           |              |                  | <u>1,000,000</u> | <u>2,500,000</u> | <u>600,000</u> | <u>500,000</u> |                  | <u>750,000</u> | <u>5,350,000</u> |



|  |           |           |           |           |           |           |            |            |            |            |            |
|--|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|
| Annual Miscellaneous Revenues 100.000%   |           | 20,000    | 45,000    |           | 50,000    | 50,000    | 45,000     | 75,000     |            | 60,000     | 345,000    |
| Power Allocation 55.000%   | 0         | 11,000    | 24,750    |           | 27,500    | 27,500    | 24,750     | 41,250     | 0          | 33,000     | 189,750    |
| M&IW Allocation 45.000%  | 0         | 9,000     | 20,250    |           | 22,500    | 22,500    | 20,250     | 33,750     | 0          | 27,000     | 155,250    |
| Recreation Allocation 5.000%   | 0         | 1,000     | 2,250     |           | 2,500     | 2,500     | 2,250      | 3,750      | 0          | 3,000      | 17,250     |
|  |           |           |           |           |           |           |            |            |            |            |            |
| IV. Conversion of Reimbursable Accrued Costs (subject to IDC) to Net Disbursements and Calculation of IDC. |           |           |           |           |           |           |            |            |            |            |            |
| <u>POWER IDC CALCULATION</u>   |           |           |           |           |           |           |            |            |            |            |            |
| MULTIPURPOSE PLANT   |           |           |           |           |           |           |            |            |            |            |            |
| Total Multipurpose Annual Costs  | 3,950,000 | 5,410,000 | 3,820,000 | (790,000) | 4,256,000 | 9,660,000 | 9,010,000  | 3,410,000  | 0          | 2,100,000  | 40,826,000 |
| Less: Nonreimbursable Visitor Center   | 0         | 0         | 0         | 0         | (2,000)   | (40,000)  | (110,000)  | (60,000)   | 0          | (10,000)   | (222,000)  |
| Adjusted Multipurpose Annual Costs   | 3,950,000 | 5,410,000 | 3,820,000 | (790,000) | 4,254,000 | 9,620,000 | 8,900,000  | 3,350,000  | 0          | 2,090,000  | 40,604,000 |
|  |           |           |           |           |           |           |            |            |            |            |            |
| Reimbursable Power Allocation 30.000%  | 1,185,000 | 1,623,000 | 1,146,000 | (237,000) | 1,276,200 | 2,886,000 | 2,670,000  | 1,005,000  | 0          | 627,000    | 12,181,200 |
| Cumulative Reimbursable Power Costs  | 1,185,000 | 2,808,000 | 3,954,000 | 3,717,000 | 4,993,200 | 7,879,200 | 10,549,200 | 11,554,200 | 11,554,200 | 12,181,200 |            |
|  |           |           |           |           |           |           |            |            |            |            |            |
| Conversion to Disbursements  | 1,139,573 | 697,937   | 685,830   | 0         | 614,509   | 1,314,406 | 1,352,895  | 789,702    | 0          | 507,493    | 7,102,345  |
| Less: Miscellaneous Revenue Credits  | 0         | (11,000)  | (24,750)  | 0         | (27,500)  | (27,500)  | (24,750)   | (41,250)   | 0          | (33,000)   | (189,750)  |
| Net Disbursements  | 1,139,573 | 686,937   | 661,080   | (149,104) | 587,009   | 1,286,906 | 1,328,145  | 748,452    | 0          | 474,493    | 6,763,491  |
| Cumulative Net Disbursements   | 1,139,573 | 1,826,510 | 2,487,590 | 2,338,486 | 2,925,495 | 4,212,402 | 5,540,547  | 6,288,999  | 6,288,999  | 6,763,493  |            |
| CY Federal Investment Basis:   |           |           |           |           |           |           |            |            |            |            |            |
| PY Cum ND+1/2 CY ND+PY Cum IDC 1/  | 569,786   | 1,533,696 | 2,344,050 | 2,808,424 | 3,003,677 | 4,207,662 | 5,889,249  | 7,451,102  | 0          | 8,724,978  |            |

|  |           |           |           |           |           |            |            |            |             |            |            |
|--|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|-------------|------------|------------|
|  |           |           |           |           |           |            |            |            |             |            |            |
| CY IDC 8.890%                          | 50,654    | 136,346   | 208,386   | (23,699)  | 267,027   | 374,061    | 523,554    | 662,403    | 0           | 775,651    | 2,974,383  |
| Cum Power IDC Multipurpose Plant       | 50,654    | 187,000   | 395,386   | 371,686   | 638,713   | 1,012,774  | 1,536,329  | 2,198,732  | 2,198,732   | 2,974,382  |            |
|  |           |           |           |           |           |            |            |            |             |            |            |
| <b>ELECTRIC PLANT</b>                  |           |           |           |           |           |            |            |            |             |            |            |
| Total Electric Plant Annual Costs      | 190,000   | 1,150,000 | 2,600,000 | 790,000   | 3,500,000 | 5,500,000  | 5,800,000  | 8,500,000  | (1,140,000) | 7,250,000  | 34,140,000 |
| Cumulative Electric Plant Costs        | 190,000   | 1,340,000 | 3,940,000 | 4,730,000 | 8,230,000 | 13,730,000 | 19,530,000 | 28,030,000 | 26,890,000  | 34,140,000 |            |
|  |           |           |           |           |           |            |            |            |             |            |            |
| Conversion to Net Disbursements        | 182,716   | 494,534   | 1,555,985 | 447,781   | 1,685,302 | 2,504,933  | 2,938,874  | 6,679,074  | (670,627)   | 5,868,146  | 21,686,718 |
| Cumulative Net Disbursements           | 182,716   | 677,250   | 2,233,234 | 2,681,015 | 4,366,317 | 6,871,250  | 9,810,124  | 16,489,198 | 15,818,570  | 21,686,716 |            |
|  |           |           |           |           |           |            |            |            |             |            |            |
| CY Federal Investment Basis:           |           |           |           |           |           |            |            |            |             |            |            |
| PY Cum ND+ ½ CY ND+ PY Cum IDC 1/      | 91,358    | 438,105   | 1,502,311 | 2,637,749 | 3,740,508 | 6,168,156  | 9,438,409  | 15,086,457 | 0           | 21,897,308 |            |
|  |           |           |           |           |           |            |            |            |             |            |            |
| CY IDC 8.890%                          | 8,122     | 38,948    | 133,555   | 36,217    | 332,531   | 548,349    | 839,075    | 1,341,186  | (133,318)   | 1,946,671  | 5,091,336  |
| Cum Power IDC Electric Plant           | 8,122     | 47,069    | 180,625   | 216,841   | 549,372   | 1,097,722  | 1,936,796  | 3,277,982  | 3,144,664   | 5,091,335  |            |
|  |           |           |           |           |           |            |            |            |             |            |            |
| CY Power IDC                           | 58,776    | 175,293   | 341,942   | 12,518    | 599,558   | 922,410    | 1,362,629  | 2,003,589  | (133,318)   | 2,722,321  | 8,065,718  |
| CUMULATED POWER IDC                    | 58,776    | 234,069   | 576,010   | 588,528   | 1,188,086 | 2,110,496  | 3,473,125  | 5,476,714  | 5,343,396   | 8,065,717  |            |
|  |           |           |           |           |           |            |            |            |             |            |            |
| <b><u>M&amp;IW IDC CALCULATION</u></b> |           |           |           |           |           |            |            |            |             |            |            |
| <b>MULTIPURPOSE PLANT</b>              |           |           |           |           |           |            |            |            |             |            |            |
| Total Multipurpose Annual Costs        | 3,950,000 | 5,410,000 | 3,820,000 | (790,000) | 4,256,000 | 9,660,000  | 9,010,000  | 3,410,000  | 0           | 2,100,000  | 40,826,000 |



|                                     |          |          |           |           |           |           |            |              |              |               |          |
|-------------------------------------|----------|----------|-----------|-----------|-----------|-----------|------------|--------------|--------------|---------------|----------|
| Conversion to Disbursements         | 0        | 0        | 0         | 0         | 0         | 9,109     | 19,001     | 78,577       | 0            | 101,175       | 207,862  |
| Less: Miscellaneous Revenue Credits | 0        | (1,000)  | (2,250)   | 0         | (2,500)   | (2,500)   | (2,250)    | (3,750)      | 0            | (3,000)       | (17,250) |
| Net Disbursements                   | 0        | (1,000)  | (2,250)   | 0         | (2,500)   | 6,609     | 16,751     | 74,827       | 0            | 98,175        | 190,612  |
| Cumulative Net Disbursements        | 0        | (1,000)  | (3,250)   | (3,250)   | (5,750)   | 859       | 17,610     | 92,438       | 92,438       | 190,612       |          |
| CY Federal Investment Basis:        |          |          |           |           |           |           |            |              |              |               |          |
| PY Cum ND+ ½ CY ND+PY Cum IDC 1/ 4/ | 0        | 0        | 0         | 0         | 0         | 0         | 9,235      | 55,024       | 0            | 141,525       |          |
|                                     |          |          |           |           |           |           |            |              |              |               |          |
| CY IDC 10.693%                      | 0        | 0        | 0         | 0         | 0         | 0         | 987        | 5,884        | 0            | 15,133        | 22,004   |
| Cum Recreation IDC                  | 0        | 0        | 0         | 0         | 0         | 0         | 987        | 6,871        | 9,871        | 22,004        |          |
|                                     |          |          |           |           |           |           |            |              |              |               |          |
| SUMMARY OF CUMULATIVE IDC ACCRUED   |          |          |           |           |           |           |            |              |              |               |          |
|                                     |          |          |           |           |           |           |            |              |              |               |          |
| IDC Transferred to Electric Plant   |          |          |           |           |           |           |            |              | 133,318      | 133,318       |          |
| Power IDC in Work in Progress       | 58,776   | 234,069  | 576,010   | 588,528   | 1,188,086 | 2,110,496 | 3,473,125  | 5,476,714    | 5,343,396    | 8,065,717     |          |
| M&IW IDC in Work in Progress        | 81,236   | 302,149  | 644,366   | 605,743   | 1,049,579 | 1,675,974 | 2,557,086  | 3,682,989    | 3,682,989    | 5,018,149     |          |
| Recreation IDC in Work in Progress  | <u>0</u> | <u>0</u> | <u>0</u>  | <u>0</u>  | <u>0</u>  | <u>0</u>  | <u>987</u> | <u>6,871</u> | <u>6,871</u> | <u>22,004</u> |          |
|                                     |          |          |           |           |           |           |            |              |              |               |          |
| TOTAL IDC ACCRUED                   | 140,012  | 536,218  | 1,220,377 | 1,194,271 | 2,237,665 | 3,786,470 | 6,031,198  | 9,166,574    | 9,166,574    | 13,239,188    |          |

Footnotes:

1/ For the Power IDC calculation, compound interest started in FY 1987 changing the Federal Investment Basis. The Repayment Contract for M&IW and Recreation calls for simple IDC.

2/ Preconstruction costs of \$4,460,000 were distributed to other cost authorities in FY89. Since costs were transferred from a Multipurpose Cost Authority to a Single Purpose Cost Authority, the amount of IDC accrued for both needed to be adjusted. Net Disbursements were determined by multiplying the total reimbursable cost transferred by the ratio of Cumulative Reimbursable costs divided by Cumulative Net

Disbursements before the transfer. The IDC amount relating to the transfer was calculated by multiplying the Cumulative IDC before the transfer by the ratio of Net Disbursements relating to the transfer divided by the Cumulative Net Disbursements before the transfer.

3/ Transfers of \$1,140,000 to plant were effective as of the end of the prior year. Net Disbursements relating to the transfer is calculated by multiplying the reimbursable transferred costs by the ratio of Prior Year Cumulative Net Disbursements by the Prior Year Cumulative Reimbursable Costs. The IDC amount to be transferred to Plant is calculated by multiplying the Prior Year Cumulative IDC amount by the ratio of the Net Disbursements relating to the transfer divided by the Prior Year Cumulative Net Disbursements.

4/ If Cumulative Miscellaneous Revenue Credits exceed one half the Current Year Net Disbursements plus the Prior Year Cumulative Net Disbursements, the Federal Investment Basis is negative and no IDC is applicable.

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(020) 4/1/96