

Reclamation Manual

Directives and Standards



United States Department of the Interior

BUREAU OF RECLAMATION
P.O. Box 25007
Denver, CO 80225-0007

IN REPLY REFER TO:
84-55000
PRJ-1.10

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VIA ELECTRONIC MAIL ONLY

MEMORANDUM

To: Principal Deputy Commissioner
Attention: 91-10000, 92-00000, 94-00000, 96-00000
Regional Directors
Attention: PN-1000, MP-100, LC-1000, UC-100, GP-1000

From: Roseann Gonzales *Roseann Gonzales*
Director, Policy and Administration

Subject: Interest Rates for Fiscal Year 2015

The following rates are to be used for fiscal year 2015:

	<u>Percentages</u>
Plan Formulation and Evaluation	3.375*
(The unconstrained yield is 3.3378 percent)	
Repayment:	
Water Supply Act of 1958.....	4.934
Colorado River Storage Project.....	4.934
Central Valley Project (P.L. 99-546).....	3.250
Power	3.3378**
Reclamation Reform Act of 1982	2.717
Colorado River Basin Salinity Control Act.....	3.250
Hoover Dam Power Plant Act of 1984.....	3.2764
Safety of Dams Act (as amended by P.L. 98-404)	***
Reclamation States Emergency Drought Relief Act of 1991	***
Subtitle G of Title IX (P.L. 111-11)	***
Small Reclamation Projects Act	
"Grandfathered" Projects ¹	4.875
New Projects	***
SRPA Flood Control.....	****

¹ The "grandfathered" interest rate applies to projects started prior to the passage of P.L. 99-546. This should not be confused with the ten "grandfathered" projects associated with the discontinuance of the SRPA Program in 1994. Those ten projects are subject to the rates for New Projects and Flood Control, as appropriate.

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*The unconstrained yield increased 0.3954 percent between fiscal year 2014 and fiscal year 2015, to 3.3378 percent. This unconstrained yield is rounded to the nearest 1/8 percentage point and then compared to the fiscal year 2014 rate to determine the fiscal year 2015 rate. In accordance with the Water Resource Council Rules and Regulations, the maximum adjustment allowed for the current fiscal year rate is one quarter of one percentage point from the previous fiscal year rate.

**Use when rate is not otherwise provided by law. In accordance with Section 9(c) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C.), the minimum interest rate allowed for the sale of electric power or lease of power privileges is 3 percent.

***Rates vary by length of term, and are set out in the attached schedule. For proper determination of Safety of Dams Repayment interest rates, see the May 14, 1997, memorandum entitled "Interest Rate Determinations for Safety of Dams Program Repayment Contracts."

****Rates vary by length of term, also as set out in the attached schedule, except that, for flood control, a 1/8 percentage point "transaction costs" premium is added to the listed rate.

Any questions regarding implementation of these interest rates should be directed to Mr. Max Millstein, Reclamation Law Administration Division, at 303-445-2853.

Attachment

cc: 94-00010, 94-30000
84-27400 (Morrow), 84-44000 (Becker), 84-51000 (Marrone), 84-52000 (Kunkel-Shields), 84-53000 (Vehmas), 84-55000 (Taylor, Stock, Reading file), 84-57000 (Bauer), 86-68170 (Baumgarten), 86-68270 (Christopherson)
PN-3300 (Patterson), PN-3800 (Hessman), MP-200 (Bhattacharyya), MP-400 (Woodley), MP-410 (Mao), MP-440 (Slaughter), MP-700 (Denning), MP-3000 (Bryant), LC-2000 (Simon), LC-4400 (Selig), LC-7000 (Leavitt), UC-240 (Jacobson), UC-360 (Hillier), UC-420 (Roundy), UC-446 (Loring) GP-3000 (Shaw), GP-3300 (Rohde), GP-4500 (Cole)
PXAO-400 (Meyers)
WCG-BUilenberg
Area Managers (See Attached List)
(w/att to each)

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Table 1 - Range of Maturities

(Updated October 1, 2014)

The following schedule shows **average market yields** on **Treasury securities** for the month of **September 2014** at various intervals.

Rates Effective for Fiscal Year 2015

From and Including	Up To But Not Including	Rate
0 years - 3 months	1 year - 3 months	1/8%
1 year - 3 months	1 year - 7 months	1/4%
1 year - 7 months	1 year - 10 months	3/8%
1 year - 10 months	2 years - 1 month	1/2%
2 years - 1 month	2 years - 4 months	5/8%
2 years - 4 months	2 years - 7 months	3/4%
2 years - 7 months	2 years - 10 months	7/8%
2 years - 10 months	3 years - 2 months	1%
3 years - 2 months	3 years - 5 months	1-1/8%
3 years - 5 months	3 years - 9 months	1-1/4%
3 years - 9 months	4 years - 1 month	1-3/8%
4 years - 1 month	4 years - 6 months	1-1/2%
4 years - 6 months	4 years - 11 months	1-5/8%
4 years - 11 months	5 years - 4 months	1-3/4%
5 years - 4 months	5 years - 10 months	1-7/8%
5 years - 10 months	6 years - 5 months	2%
6 years - 5 months	7 years - 2 months	2-1/8%
7 years - 2 months	8 years - 3 months	2-1/4%
8 years - 3 months	9 years - 6 months	2-3/8%
9 years - 6 months	11 years - 2 months	2-1/2%
11 years - 2 months	13 years - 2 months	2-5/8%
13 years - 2 months	15 years - 8 months	2-3/4%
15 years - 8 months	19 years - 0 months	2-7/8%
19 years - 0 months	23 years - 1 month	3%
23 years - 1 month	27 years - 11 months	3-1/8%
27 years - 11 months	30 years - 1 day	3-1/4%

This table, and other data used in preparation of this memo may be found at the following Department of the Treasury website:

http://treasurydirect.gov/govt/rates/tcir/tcir_fy2015_opdirannual.htm