

Definitions of Elements of the Income Statement

1. Hydraulic Power Generation

Operation and Maintenance of powerplant structures (excluding switchyards), power generators, auxiliary equipment, supervisory and engineering support, data acquisition equipment, communication systems, elevators, and industrial shop facilities. These costs are incurred in operating prime movers, generators, and their auxiliary apparatus and other electric equipment to the point where electricity leaves for conversion for transmission or distribution. (Reference Work Activity Plans and Cost Authority Index)

2. Transmission Expense

Costs associated with the O&M of the powerplant switchyards to include 1) load dispatching and controlling system voltages; 2) operating substation and switching stations which includes calibrating station equipment, operation switching equipment, patrolling the switchyard, and caring for the grounds; and 3) supervision and engineering costs associated with the operation of the transmission system as a whole. (Reference Cost Authority Index)

3. Carriage System (Conveyance)

O&M costs associated with the movement of water (canals and conduits); lifting water for conveyance of water (relift pumping plants or canals); and directing, regulating and controlling the flow of water and pumping of water for preventing erosion, overflow, and loss of water. Examples are O&M and management costs for pumping and generator facilities (Coming, Tracy, Dos Amigos, O'Neill Pumping Plants), water canals, and diversion dams. (Reference, Part 481 of the Reclamation Instructions, sheet 29 of 34.)

4. Water Marketing

Cost component reflects the annual operating expense of selling (marketing) CVP water. Examples are administration and negotiations of water service contracts, HAZMAT program, water conversation, water quality monitoring, land management, environmental management, and the actual rate setting for the CVP water rates. The annual water marketing expense are pooled in CVP-wide and allocated to all paid water for FY involved. (Reference Irrigation Rate setting Document, 1988)

5. Administration and General Expense

General costs that are not chargeable directly to a particular operating function. Use to be more of these types of costs but are now reflected in water marketing costs.