

Reclamation Manual

Directives and Standards



United States Department of the Interior

BUREAU OF RECLAMATION

PO Box 25007

Denver, CO 80225-0007



IN REPLY REFER TO:

84-55000

1.3.10

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Memorandum

To: Commissioner
Attention: 91-00000 (BBurnman)
Regional Directors
Attention: MB-1000 (BEsplin), UCB-100 (WPullan), LCB-1000 (JGould),
CPN-1000 (LGray), CGB-100 (EConant)

From: Christopher J. Beardsley CHRISTOPHE Digitally signed by
CHRISTOPHER BEARDSLEY
Date: 2020.12.10 14:48:30
-0700
Director, Policy and Programs R BEARDSLEY

Subject: Interest Rates for Fiscal Year 2021

The following rates are to be used for fiscal year 2021:

	<u>Percentages</u>
Plan Formulation and Evaluation..... (The unconstrained yield is 1.5730 percent)	2.50*
Repayment:	
Water Supply Act of 1958	3.490
Colorado River Storage Project.....	3.490
Central Valley Project (Pub. L. 99-546)	1.375
Power.....	1.625**
Reclamation Reform Act of 1982	2.047
Colorado River Basin Salinity Control Act.....	1.375
Hoover Dam Power Plant Act of 1984	1.3797
Safety of Dams Act (as amended by Pub. L. 98-404).....	1.375***
Reclamation States Emergency Drought Relief Act of 1991	***
Subtitle G of Title IX (Pub. L. 111-11)	***
Small Reclamation Projects Act "Grandfathered" Projects ¹	3.50

¹ The "grandfathered" interest rate applies to projects started prior to the passage of Pub. 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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New Projects.....***
SRPA Flood Control.....****

*The unconstrained yield fell 1.1471 percent between fiscal year 2020 and fiscal year 2021, to 1.5730 percent. This unconstrained yield is rounded to the nearest 1/8 percentage point and then compared to the fiscal year 2020 rate to determine the fiscal year 2021 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 the 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 the 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. Karl J. Stock at (303) 445-2929 or Mr. Fernando Castro-Alvarez at (303) 445-2821. For the hearing impaired please call the Federal Relay System at (800) 877-8339 (TTY).

Attachment

cc: 92-00000 (SHagenauer), 94-00000 (GFPayne, OQuarles), 94-00010 (AShepet),
94-30000 (OQuarles, RWolf), 96-00000 (JColeman, DPalumbo)
84-12000 (GKunkel-Shields), 84-12200 (KAdolf), 84-27410 (PClemens, LGriswold),
84-27420 (AVSmith), 84-51000 (KEvans), 84-55000 (FCastro-Alvarez, SMcPhee, OWalker),
86-67200 (CVick), 86-68170 (RBAumgarten, DMAag) 86-68270 (RChristopherson, PEngle),
86-69200 (DMarrone)
MB-1000 (TCurrid, DHall), MB-3300 (MScanson), MB-4100 (TKinsey), UCB-100 (SWylie),
UCB-360 (SHillier), UCB-445 (VDeppe), LCB-1000 (POberembt, MOKamura),
LCB-4400 (MSelig), CPN-1000 (LSwanson), CPN-3300 (EMcGarry), CPN-6400 (CHessman),
CGB-100 (AThomas), CGB-120 (ABhattacharya), CGB-400 (RWoodley), CGB-440 (LHolm),
CGB-700 (DRijn)
(w/att)

Area Managers

GCP-1000 (CWSmith), SRA-1000 (RSpringer), CCA-1000, BDO-100 (DMMooney),
CCAO-FOO (Lmao), SCC-100 (MJackson), NC-100 (DBader), CVO-100 (KNWhite),
KO-100 (JNettleton), CC-100 (DLessard), LO-100 (TEdwards), MPCO-300 (BWagner),
PXA0-1000 (LMeyers), YAO-1000 (TLThomas), LCD-10000 (LSchilling),
SCAO-7000 (JSimes), ALB-100 (JFaler), CCA-1000 (TOxford), UCB-111 (WPullan),
WCG-EWarner (EWagner), MT-100 (SDavies), NK-Thompson (AThompson),
TX-Trevino (MTrevino), WY-1000 (CRonca), WCG-(MWorkne), EC-1000 (JRieker)
(w/att)

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Table 1 - Range of Maturities

(Updated October 1, 2020)

The following schedule shows **average market yields on Treasury securities** for the month of **September 2020** at various intervals.

Rates Effective for Fiscal Year 2021

From and Including	Up To But Not Including	Rate
0 years - 3 months	3 years - 8 months	1/8%
3 years - 8 months	5 years - 5 months	1/4%
5 years - 5 months	6 years - 7 months	3/8%
6 years - 7 months	8 years - 2 months	1/2%
8 years - 2 months	10 years - 1 month	5/8%
10 years - 1 month	12 years - 1 month	3/4%
12 years - 1 month	14 years - 3 months	7/8%
14 years - 3 months	16 years - 8 months	1%
16 years - 8 months	19 years - 5 months	1-1/8%
19 years - 5 months	23 years - 3 months	1-1/4%
23 years - 3 months	30 years - 1 day	1-3/8%

Source: https://www.treasurydirect.gov/govt/rates/tcir/tcir_fy2021_opdirannual.htm#table3