

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:

OCT 12 2018

84-55000
1.3.10

VIA ELECTRONIC MAIL ONLY

MEMORANDUM

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

From: Karl Stock
Acting Director, Policy and Administration

Subject: Interest Rates for Fiscal Year 2019

The following rates are to be used for fiscal year 2019:

	<u>Percentages</u>
Plan Formulation and Evaluation.....	2.875*
(The unconstrained yield is 2.9176 percent)	
Repayment:	
Water Supply Act of 1958	4.090
Colorado River Storage Project	4.090
Central Valley Project (P.L. 99-546).....	3.125
Power	2.875**
Reclamation Reform Act of 1982.....	2.999
Colorado River Basin Salinity Control Act	3.125
Hoover Dam Power Plant Act of 1984	3.1494
Safety of Dams Act (as amended by P.L. 98-404)	3.125***
Reclamation States Emergency Drought Relief Act of 1991	***
Subtitle G of Title IX (P.L. 111-11)	***
Small Reclamation Projects Act	
"Grandfathered" Projects ¹	4.125
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 0.2058 percent between fiscal year 2018 and fiscal year 2019, to 2.9176 percent. This unconstrained yield is rounded to the nearest 1/8 percentage point and then compared to the fiscal year 2018 rate to determine the fiscal year 2019 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. DeShawn Woods, Reclamation Law Administration Division, at 303-445-2900.

Attachment – 1

cc: 94-00010 (AShepet), 94-30000 (RWolf)
84-27400 (HMMorrow), 84-27410 (LGrissold), 84-44000 (BBecker), 84-51000 (DMarrone),
84-52000 (GKunkel-Shields), 84-53000 (LVehmas),
84-55000 (WTaylor, SMcPhee, MMillstein, Reading file), 84-57000 (CVick),
86-68170 (R Baumgarten), 86-68520 (DMAag), 86-68270 (RChristopherson, SPiper)
PN-1000 (LSwanson), PN-3800 (CHessman), MP-100 (AThomas), MP-120 (ABhattacharya),
MP-400 (RWoodley), MP-700 (Dvanrijn), MP-3600 (SAhmad),
LC-1000 (VWhitlow, CPemberton), LC-4400 (MSelig), UC-100 (BRhees), UC-360 (SHillier),
GP-34000 (GShaw), GP-2400 (JRohde), GP-4300 (SStiles)
PXAO-1000 (LMeyers), WCG-BUilenberg, CCAO (LMao)
Area Managers
BDO-100 (DMooney), SCC-100 (MJackson), NCAO-100 (DBader), CVO-100 (JRicker),
KO-100 (JNettleton), CC-100 (DLessard), LO-100 (TEdwards), MPC-100 (RWelsh),
PXAO-1000 (LMeyers), YAO-1000 (MRamirez), LC-4000 (SHvinden),
LCD-1000 (LSchilling), SCAO-1000 (JSimes), ALB-100 (JFaler),
FCCO-100 (BLongwell), UC-600 (TOxford), PRO-100 (WPullan),
WCG-EWamer (EWamer), MT-100 (SDavies), NK-Thompson (AThompson),
TX-Trevino (MTrevino), DK-1000 (AFreitag), WY-1000 (CRonca),
EC-1000 (Jan Snortland)
(w/att to each)

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Table 1 - Range of Maturities

(Updated October 5, 2018)

The following schedule shows **average market yields** on **Treasury securities** for the month of **September 2018** at various intervals.

Rates Effective for Fiscal Year 2019

From and Including	Up To But Not Including	Rate
0 years - 3 months	0 years - 4 months	1%
0 years - 4 months	0 years - 8 months	1-1/8%
0 years - 8 months	1 year - 9 months	1-1/4%
1 year - 9 months	2 years - 10 months	1-3/8%
2 years - 10 months	3 years - 9 months	1-1/2%
3 years - 9 months	4 years - 7 months	1-5/8%
4 years - 7 months	5 years - 6 months	1-3/4%
5 years - 6 months	6 years -7 months	1-7/8%
6 years -7 months	7 years -11 months	2%
7 years -11 months	10 years - 10 months	2-1/8%
10 years - 10 months	14 years - 9 months	2-1/4%
14 years - 9 months	18 years - 2 months	2-3/8%
18 years - 2 months	21 years - 9 months	2-1/2%
21 years - 9 months	25 years - 6 months	2-5/8%
25 years - 6 months	30 years - 1 day	2-3/4%

Source: https://www.treasurydirect.gov/govt/rates/tcir/tcir_fy2019_opdirannual.htm#table1