



United States
Department of
Agriculture

Rural Development



Presented by:

Dennis Anderson, RUS EP GFR

RUS Accounting Update

Alaska Electric Utility Accounting and Finance Workshop

Topics of discussion...

- **Close Work Orders & prepare Work Order Inventories**
- Work Order Inspections
- RUS Business Update
- Maintain a current CWP using RD Apply
- RUS Engineering and Environmental Services (RUS EES)



Work Order Inventory (WOI) & Special Equipment Summary (SES)

- Blank Excel Form 219 Work Order Inventory (includes sheets for the Special Equipment Summary and Minor Projects); document available on the RUS website @ <https://www.rd.usda.gov/publications/regulations-guidelines/forms-publications>



Preparing Work Order Inventories

- If your Software System generates a Work Order Inventory, you do not need to retype it on Form 219 as long as all the information is provided.

***Make sure your System Designation is your **RUS ID**, not your NRECA or NISC ID**

XYZ Company

Revision: 80905

11/09/2016 3:37:10 pm

RUS Form 219 Inventory Of Work Orders

Period: OCT 2016

System Designation: [RUS ID]

Inventory : 539

Budget	Loan	Project	Amount
	1	0000	-1,249.88
		101	10,053.54
		102	917.40
		602 - 001	15,720.70
		602 - 002	7,216.73
		606	39,522.76
	1	607	547.77
		Total:	72,729.02

BORROWER CERTIFICATION - We certify that the costs of construction shown are the actual costs and are reflected in the general accounting records. We further certify that funds represented by advances requested have been expended in accordance with the purposes of the loan, the provisions of the loan contract and mortgage, and RUS bulletins and the Code of Federal Regulations relative to the advance of funds for work order purposes. We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

DATE	SIGNATURE (Manager)
DATE	SIGNATURE (Board Approval)

ENGINEERING CERTIFICATION - I hereby certify that sufficient inspection has been made of the construction reported by this inventory to give me reasonable assurance that the construction complies with applicable specifications and standards and meets appropriate code requirements as to strength and safety. This certification is in accordance with acceptable engineering practice.

INSPECTION PERFORMED BY	FIRM
LICENSE NUMBER	SIGNATURE OF LICENSED ENGINEER

Preparing Work Order Inventories

- Example of software generated detail pages to submit along with summary page as shown on previous slide.

XYZ Company Revision: 80905

10/11/2016 10:59:30 am Page: 1

RUS Form 219 Inventory Of Work Orders

Period: SEP 2016 System Designation: [RUS ID]

Inventory: 537

Project	Loan	Year	Work Order Construction (1) Retirement (2)	Budget (3)	Gross Funds Required		Deductions		Contrib In Aid Of Constr and Previous Advances (8)	Loan Funds Subject To Advance By RUS (9)
					Cost Of Construction: New Constr Or Replacements (4)	Cost Of Removal: New Constr Or Replacements (5)	Salvage Relating To New Construction Or Replacements (6)	Retirements Without Replacements (7)		
0000		2016	2016214 2016214	1	0.00	0.00	0.00	782.89	0.00	0.00
								-782.89		
					0.00	0.00	0.00	782.89	0.00	0.00
101		2016	2016204	6	1,341.32	0.00	0.00	0.00	300.00	1,041.32
					1,341.32	0.00	0.00	0.00	300.00	1,041.32
602 - 001		2016	2016202 2016202	1	6,987.30	536.03	837.98	0.00	2,450.00	4,235.35
602 - 001		2016	2016217 2016217	1	3,365.68	192.34	0.00	0.00	0.00	3,558.02
602 - 001		2016	2016218 2016218	1	1,858.56	48.14	0.00	0.00	0.00	1,906.70
					12,211.54	776.51	837.98	0.00	2,450.00	9,700.07
602 - 002		2016	2016206 2016206	1	1,123.06	292.98	0.00	0.00	0.00	1,416.04
602 - 002		2016	2016215 2016215	1	3,470.79	401.21	799.55	0.00	0.00	3,072.45
					4,593.85	694.19	799.55	0.00	0.00	4,488.49
606		2016	2016221 2016221	1	3,126.73	655.79	0.00	0.00	0.00	3,782.52
					3,126.73	655.79	0.00	0.00	0.00	3,782.52
Grand Totals:					\$21,273.44	\$2,126.49	\$1,637.53	\$782.89	\$2,750.00	\$19,012.40

Form 219 (Work Order Inventory) Checklist

Borrower Guidance Checklist:		Comments:
<input type="checkbox"/>	RUS Project Codes on submitted Form 219 documents match the official 740c or approved amendment	<i>An exact match between Form 219 and 740c line items facilitates expedited processing of Form 219 submissions. Projects must be part of the loan in order for requested funds to be advanced</i>
<input type="checkbox"/>	Borrower contacts and loan details are included with Form 219 documents	<i>e.g. IA0074, AB8, name, email and phone number</i>
<input type="checkbox"/>	(0000) and (9999) codes are to be used for retirements and salvage costs only	<i>Retirement and salvage costs shown on Form 219 documents should show a negative value</i>
<input type="checkbox"/>	Minor projects (code 1600) are submitted on a separate Form 219	<i>Per RUS Bulletin 1767B-2 Section 8.6.2 Minor projects should be reported on a separate IWO</i>
<input type="checkbox"/>	Minor projects (code 1600): Environmental certification is checked and sufficient project description is included to support the certification	<i>Reference 7CFR 1721.1 (c) Environmental certification must be checked and descriptions should specify scope along with purpose</i>
<input type="checkbox"/>	Individual minor projects (code 1600) do not exceed \$100,000 in Column 4 (Cost of Construction) of Form 219	<i>Reference 7CFR 1721.1 (b) and EOM-4</i>

Items to Check

USDA-RUS				
INVENTORY OF WORK ORDERS				
Instructions - Prepare 2 copies of this form. Forward 1 copy to the Rural Utilities Service, USDARD, Washington DC 20250. Copy 2 is for your records. For detailed instructions see RUS Bulletin 1767B-2				
740-C CODE		WORK ORDER		Budget Item No.
Code No.	Year	Construction (1)	Retirement (2)	
525	2009	140246	140246	1
1105	2009	150120	150120	2

- Ensure project code numbers are approved codes that match your official loan 740c or were codes approved in an amendment which received environmental approval.
- Ensure the proper Budget Purpose Number is designated.

WOI & SES Submittals

- **Include your email contact.** You will receive an updated Form 605 via email
- **Clearly indicate the loan** you are posting items to.
- Send SESs and WOIs under a cover letter to RUS by email at:
RUSElectric@wdc.usda.gov
- **Close SESs monthly** and send to RUS
- **Close WOIs monthly**; send into DC **as soon as inspected** (should have submissions at least every six months) for posting to your Loan Form 605
- Who does the formal inspection?

Topics of discussion...

- Close Work Orders; prepare Work Order Inventories
- **Work Order Inspections**
- RUS Business Update
- Maintain the CWP current using RD Apply
- RUS Engineering and Environmental Services (RUS EES)



Work Order Inspections - Objectives

- Review regulations
- Provide overview of current procedures
- Provide resources and sample documents

Importance of WO Inspections

- Rural Electrification Act of 1939; REA is born; FDR administration
- From 1939-1981, REA Field Engineers conducted inspections
 - Co-ops and consultants relied on REA engineering expertise in the field. REA had up to 150 field staff (FE, FA, FO)
 - REA suffered reduction in staff by 50% in the 1970's
 - REA Engineering located only in DC; only 50 field staff now (GFR, FA)
 - Since 1982, field engineering work became the responsibility of the Borrower; REA styled Consulting Engineering firms were started.

Work Order (WO) Inspections - Regulation

7CFR 1724.32

➤ Provisions of this section apply to all borrower electric system facilities regardless of financing source.

- ✓ RUS
- ✓ CFC
- ✓ General Funds
- ✓ FEMA
- ✓ Contributions in Aid of Construction Costs (CIAOCC)

WO Inspections (7CFR 1724.32)

➤ **Borrower** shall ensure that all field inspection and related services are performed within 6 months of the completion of construction.

Construction: Completion of: (per Bulletin EOM-4)
When a project is energized for system operation.

For a large project constructed and energized in sections, completion of construction is the date the final section is energized.

WO Inspections

When should Work Order Inventory (Form 219) be prepared for inspection?

- The Accounting Regulation 7CFR 1767.18 107(b) says: for Construction Work In Progress
Work orders shall be cleared from this account as soon as practical, after completion of the job.
- The Bulletin 1767B-2 Work Order Procedures (8.5.4.3.) says:
The cost of all work orders physically completed during the month is to be cleared to the appropriate plant accounts. Blanket work orders should be closed and cleared to the plant accounts quarterly.

WO Inspections (7CFR 1724.32)

➤ The borrower shall ensure that all field inspection and related services are performed by a licensed engineer, except that a subordinate of the licensed engineer may perform the inspection, provided the following conditions are met:

- ✓ The inspection by the subordinate is satisfactory to the borrower;
- ✓ This practice is acceptable under applicable requirements of the State where facility is located;
- ✓ The subordinate is experienced in making such inspections;
- ✓ **The name of the person making the inspection is included in the certification;** and
- ✓ The licensed engineer signs such certification which appears on the inventory of work orders.

Who can perform?


7CFR 1724.30(b) Engineering Services

- Each borrower shall retain or employ **one or more** qualified engineers to inspect and certify all new construction in accordance with 1724.32. The engineer must **not be the borrower's manager**.
- Per this regulation licensed electrical, Staff Engineers employed by the Cooperative may certify work orders.
 - All formal processes are still required: written report and clearance of findings

WO Inspections – what is inspected? (7CFR 1724.32)

➤ The inspection shall include a representative and sufficient amount of construction listed on each RUS Form 219, Inventory of Work Orders (or comparable form), being inspected to assure the engineer that the construction is acceptable.

Representative Job Selections

- Include work by all construction crews?
 - Include work in all geographical areas?
 - The principal of the WO Inspection program should not be based on convenience.
- 
- A decorative wavy line in a dark teal color, spanning the width of the slide at the bottom.

Sufficient Amount of Construction

- Percentage method of jobs?
- Percentage method of dollars?
- Quantity of inspections based on results?
 - The more corrective measures required, the higher the number of jobs reviewed.

Overall, quantity must be such that the PE can certify the Engineering Statement on the Work Order Inventory (Form 219)

Inspection shall include:

- Determination that construction conforms to RUS specifications and to the applicable standards; NESC, State codes.
- Determination that the staking sheets or as-built drawings represent the construction completed and inspected.
- Preparation of a list of construction clean-up notes and staking sheet discrepancies furnished to the owner for correction
- Re-inspection of corrected construction from the engineer's report
- Noting, initialing, and dating the staking sheets or as-built drawings and noting the corresponding work order entry for line construction.
- Noting, initialing, and dating the as-built drawings or sketches for generating plants, substations, and other major facilities.

WO Inspections (7CFR 1724.32)

➤ *The following certification must appear on all inventories of work orders:*

*I hereby certify that sufficient inspection has been made of the construction reported by this inventory to give me reasonable assurance that the construction **complies with applicable specifications and standards** and meets appropriate code requirements as to strength and safety. This certification is in accordance with acceptable engineering practice.*

A certification must also include the name of the inspector, name of the firm, signature of the licensed engineer, the engineer's State license number, and the date of signature

INVENTORY OF WORK ORDERS

1. INVENTORY NO.
INV. 3782. MONTH ENDING
CLOSE SEPTEMBER, 2007 WORK ORDERS3. SYSTEM DESIGNATION
South Dakota 36 Edmunds4. NAME OF BORROWER
FEM Electric Association, Inc.Instructions: Prepare 2 copies of this form. Forward 1 copy to the
Rural Utilities Service, USDA-RD Washington, DC 20250.
For detailed instructions see RUS Bulletin 1767B-2

740-C CODE		WORK ORDER		Budget Item No. (3)	GROSS FUNDS REQUIRED		DEDUCTIONS		LOAN FUNDS SUBJECT TO ADVANCE BY RUS (9)	
Code No.	Year	CONSTRUC- TION (1)	RETIRE- MENT (2)		Cost of Construction (4)	Cost of Removal: Improvements or Replacements (5)	SALVAGE RELATING TO			Contributions in Aid of Construction and Previous Advances (8)
							Improvements or Replacements (6)	Retirements Without Replacement (7)		
000	2007		8081	1				(742.12)		-742.12
000	2007		8086	1				(620.04)		-620.04
								Total:		-1,362.16
101	2007	8073		1	61,617.39				(26,180.00)	35,437.39
								Total:		35,437.39
102	2007	8090		1	667.90					667.90
								Total:		667.90
602	2007	8053	8053	1	6,975.42	553.95	(554.65)		(600.00)	6,374.72
602	2007	8082	8082	1	9,224.48	422.21	(356.30)			9,290.39
602	2007	8083	8083	1	564.76	261.41				826.17
602	2007	8087	8087	1	711.47					711.47
								Total:		17,202.75
			Grand Totals		79,761.42	1,237.57	-910.95	-1,362.16	-26,780.00	51,945.88

SUMMARY BY BUDGET ITEMS

Bud.	Cat.	Total
1	000	-1,362.16
1	100	36,105.29
1	600	17,202.75

BORROWER CERTIFICATION - We certify that the costs of construction shown are the actual costs and are reflected in the general accounting records. We further certify that the funds represented by advances requested have been expended in accordance with the purposes of the loan, the provisions of the loan contract and mortgage, and RUS bulletins and the Code of Federal Regulations relative to the advance of funds for work order purposes. We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

Date
11-27-07

SIGNATURE (Manager)

Scott Moore

Date
11-27-07

SIGNATURE (Board Approval)

John H. H. H.

ENGINEERING CERTIFICATION - I hereby certify that sufficient inspection has been made of the construction reported by this inventory to give me reasonable assurance that the construction complies with the applicable specifications and standards and meets appropriate code requirements as to strength and safety. This certification is in accordance with acceptable engineering practice.

INSPECTION PERFORMED BY

FIRM

Integer Engineering

Grand Total \$51,945.88

LICENSE NUMBER

SIGNATURE OF LICENSED ENGINEER

Preparing Work Order Inventories

- WOs normally signed by the General Manager and a Board Officer.
- Under a 8/2018 Streamlining Initiative, **only one signature is required by RUS.**
 - Determined by your own internal policies and procedures if you choose to take advantage of this initiative

BORROWER CERTIFICATION - We certify that the costs of construction shown are the actual costs and are reflected in the general accounting records. We further certify that funds represented by advances requested have been expended in accordance with the purposes of the loan, the provisions of the loan contract and mortgage, and RUS bulletins and the Code of Federal Regulations relative to the advance of funds for work order purposes. We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.	
DATE ✓	SIGNATURE <i>(Manager)</i> ✓
DATE ✓	SIGNATURE <i>(Board Approval)</i> ✓

Work Order Inspection - The Report

- RUS does not have a set report format or any guide formats included in any Bulletin.
- Borrower and Engineer should concur with format and information provided.
- Examples are shown on the next slides:

Work Orders Reviewed on October 19, 2010

XYZ COOPERATIVE WORK ORDER FIELD REVIEW

Work Order Field Review Conducted By: Coop Employee and Engineer

ORDER	INV #	W.O. #	CODE	NAME	LOCATION	TYPE CONST	PURPOSE	ENGINEER'S COMMENTS
1	1003	09-084	602	Harlan Esping	35-21-01	Replacement	Replace wires hit by plane - 8 CWC 2/1 with 1/0 ACSR 6/1	No comments on this work order.
2	1003	09-153	1MP	Lynn Wickmann	51-34-03	Replacement	Replace yd pole, loop, meter, wire hit by truck	Correct 740c Code on staking sheet. Code should read 606 instead of 1MP. Form 219 uses Code 606.
3	1003	09-177	606	Map 53	P-31-E-9	Replacement	Replace pole hit by farmer - Kenneth Andries	
4	1003	09-183	1MP	Map 14	Z-7	Urd	Retire OH and replace with URD for road xing & OTP xing	No comments on this work order.
5	1003	09-189	606	Map 22	I-1/2-11-E	Urd	Replace 3-phase 4/0 URD for road job - slough bore	Correct 740c Code on staking sheet. Code should read 1MP instead of 606. Form 219 uses Code 1MP.
6	1003	09-192	1MP	Map 14	Z-6	Urd	Retire OH and replace with URD for road xing & OTP xing	No comments on this work order.
7	1003	09-219	606	Map 34	V-15-N-4	Replacement	Replace broken poles from frost (ice) storm	Poles are leaning and should be straightened when future re-spanning and re-sagging projects are completed.
8	1003	10-013	606	Map 31	F-19-E-15	Replacement	Replace broken poles from frost (ice) storm	Poles are leaning and should be straightened when future re-spanning and re-sagging projects are completed.
9	1003	10-015	101	ITT Corporation	43-35-5	New Svc	New URD service for phone company (cell tower?)	
10	1005	07-177	1MP	David Byers	53.5-3-02	Urd	Retire OH xfmr and replace with URD xfmr to avoid trees	
11	1005	09-151	1MP	Darin Brink	64-31-04	Replacement	Retire 200A loop and replace with 200A socket	
12	1005	09-214	606	Qwest Corp.	62-9-02	Urd	Moving service 50ft to the Southwest - splice secondaries	Correct 740c Code on staking sheet. Code should read 1MP instead of 606. Form 219 uses Code 1MP.
13	1005	10-011	606	Map 53	53.2-3-38	Replacement	Replace pole hit by D&G Construction	
14	1005	10-014	606	Map 31	D-16	Replacement	Replace 3-phase cabinet hit by dozer (Johnson Trenching)	Correct 740c Code on staking sheet. Code should read 1MP instead of 606. Form 219 uses Code 1MP.
15	1005	10-020	0000	Frontier Comm of MN	33-04-03	Retirement	Retire 1-phase service.	
16	1005	10-022	606	Map 41	G-21 1/2-S-11-W-A	Replacement	Replace existing pole due to shell rot.	
17	1005	10-025	606	Map 17	TT-3-N-12	Replacement	Replace broken pole.	
18	1005	10-035	602	Ladonna Thooft	52.3-04-60	Upgrd Svc	Upgrade existing 100A OH service to 200A.	
19	1005	10-039	602	Terry & Tina Nielsen	63.3-01-05	Upgrd Svc	Upgrade 100A service to 320A and move closer to JB.	No comments on this work order.
20	1005	10-040	602	Four Season Hunting	25-16-03	Upgrd Svc	Upgrade 60A service to 200A at hunting shack.	Transformer is an older 10kva overhead unit. If the load at this location increases in the future, this transformer should be upgraded.

The following is the result of the Work Order Inspection recently completed on your system.

8658	Clayton Colson Shop	Good
8626	Table Rock Estates	Good
	Butler Cat	Need to cover secondaries
8601	Grossenburg Implement	Good
8642	Jon Beastrom Bin	Good
8659	Buell Mayberry	Good
8753	Brian Gustafson	Good
8699	Clark Johnson	Good
8652	Bill Wheeler	Good
8758	Jim Hohenthauer	Good
8736	Grey Goose Booster	Good
8711	David Grambihler	Good
8665	Mark Weinheimer	Good
8697	Wayne Farries	Good

Work Orders are reviewed to ascertain conformance with Rural Utility Service (RUS) standards, National Electrical Safety Code (NESC) requirements and good engineering practices. The following are comments relative to observations made during the inspections:

(SS) Staking Sheet Comment

(©) Construction Comment

July 6, 2010 Work Order Inspections

1. Work Order 11834-1

Map Reference: TWP 99N, R 51W, SEC 35

Classification: New URD Service

Station: New 8A (1-Phase Pad Mt. Transformer)

This station appears to have been constructed satisfactorily.

Station: URD Switch (200A GND Line Disconnect Switch)

This station appears to have been constructed satisfactorily.

Stations: New 6 & 7 (1-Phase Single Primary Support Poles)

These stations appear to have been constructed satisfactorily.

Station: New 8 (1-Phase Riser Pole)

This station appears to have been constructed satisfactorily.

Note: Nice clean installation with short tails.

(See Attached Picture: WO11834-1-ST. New 8)

XYZ ELECTRIC COOPERATIVE, INC.
Work Order Inspection Notes
Date of Inspection: March 16-17, 2010

Work Order Inventory #: 377

Work Order #: 8680

Caduza Acres Rebuild (Map Ref: 79-35)

- Pole #10 – Guys/Anchors (x2):

Guy markers observed missing from guy wires: NESC Rule 217.C1 states, "The ground end of anchor guys...shall be provided with a substantial and conspicuous marker."

Recommend: Crew return to job site to install guy markers.

- Ex. Sta. 1 (Sheet 2) – Pad Mt. Transformer:

Transformer indicated on staking sheet as new installation, replacing the existing unit, has not been installed at the time of inspection. Existing transformer pad is in poor condition and merits replacement, as identified.

Recommend: Crew return to job site to install new transformer and pad.

Work Order #: 8896

Carol Cook – Home site (Map Ref: 40-14-21)

- Work order inspected; no recommendations advised.

Work Order #: 8904

Heath Knox – Habitat House (Map Ref: 40-13-16)

- Work order inspected; no recommendations advised.

W.O. 07-198 Forgy Land Co. Irrigation Service

✓ Pole A, Pole No. 10, Pole No. 13 Sheet 2, and Pole No. 9 Sheet 2 consisting of three phase transformer bank installations have the ground wire installed on the top of the arm as previously discussed.

W.O. 07-164 Brock Stoltenberg Irrigation Service

On structures A, No. 36 and No. 37 of this work order, the ground wire are installed on the top of the arms as previously discussed.

In addition, on structure No. 36, the meter panel is not separately connected to the pole ground as shown in the distribution specification book and in accordance with the National Electric Code. This needs to be corrected.

W.O. 07-136 Three Phase Grain Bin Service

On this work order, there appears to be relatively close phase to phase clearances on the three phase underground riser structure. These clearances need to be field checked with a bucket truck to determine if they meet code requirements.

Common Corrective Items

- Missing secondary covers
- Missing guy markers
- Missing guy bonding clamps
- Missing (or wrong) signs on/in pad-mounts
- Trench settling
- Pad-mount settling
- Leaning poles
- Using hot-line clamp where hot-line connector is specified

“Clean Up” Notification

Bulletin 1730-1, II (6)(a) (Operations & Maintenance Review)
Line Maintenance and Work Order Procedures

- Work order inspections performed in accordance with 7CFR 1724.
- Utility promptly provides inspector with written notice that clean-up work has been completed.

PART II - OPERATION AND MAINTENANCE

6. Line Maintenance and Work Order Procedures

a. Work Planning and Scheduling:

YES	Work Order Inspections performed in accordance with 7 CFR 1724 (w/in 6 mo. of completing construction). [Refer to Sheet4, line 66 for 7 CFR 1724.32 Inspection and certification of work order construction]
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Work Order Inspections Performed By:		
Dates Work Order inspections performed for previous two years:		
2015		
2014		

YES	Inspector provided with written notice that clean-up work has been completed.
-----	---



Rushmore Engineering



Touchstone Energy®

1715 Cambell St., PO Box 2414, Rapid City, SD 57709-2414

Work Order Inspection Certification of Corrections

Ver 1

Basic Data

Cooperative Name: West River Electric Association

RUS Designation: South Dakota 11 Pennington

Date(s) of Inspection: October-10

Work Order Data

W.O. Inventory #	Date on Form 219	Date Cleanup Completed
816	March 2010	10/18/10
817	April 2010	10/18/10
819	May 2010	10/20/10

Regarding the Work Order Inventories listed above, I certify the completion of corrective measures for departures from NESC requirements and RUS specifications, which have been identified in the Inspecting engineer's report. Further, this certification extends to known deficiencies in other construction work orders, found within the same Inventories but which have not been inspected by the engineer.

Miles Lettman
Authorized Signature

Manager of Operations
Title

10/25/10
Date

Original to Rushmore Engineering

Copies: 1 to RUS GFR

1 to Cooperative File

In Summary - The Process

- Engineer submits report to Co-op (usually by email)
 - Some include photos & Diagrams; good practice
 - Not required by regulation to submit to the GFR; If not received, viewed during O&M Review
- Co-op corrects the issues noted from the inspection
- Co-op submits “clean up” report electronically to Engineer

Questions?

Topics of discussion...

- Close Work Orders; prepare Work Order Inventories
- Work Order Inspections
- **RUS Business Update**
- Maintain the CWP current using RD Apply
- RUS Engineering and Environmental Services (RUS EES)





USDA - RD - RUS Leadership



Sonny Perdue

Secretary of Agriculture

202.720.2791

Sonny.Perdue@osec.usda.gov

Anne Hazlett

**Asst. to the Secretary
for Rural Development**

202.720.4581

Anne.hazlett@osec.usda.gov

Chris McLean

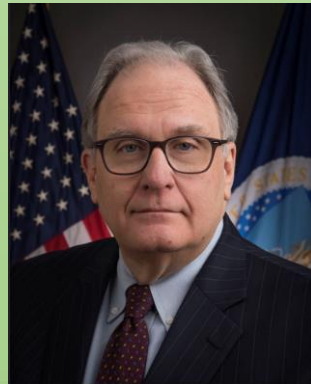
**Rural Utilities Service
Administrator
(acting)**

Chris McLean

**Asst. Administrator
RUS Electric Program**

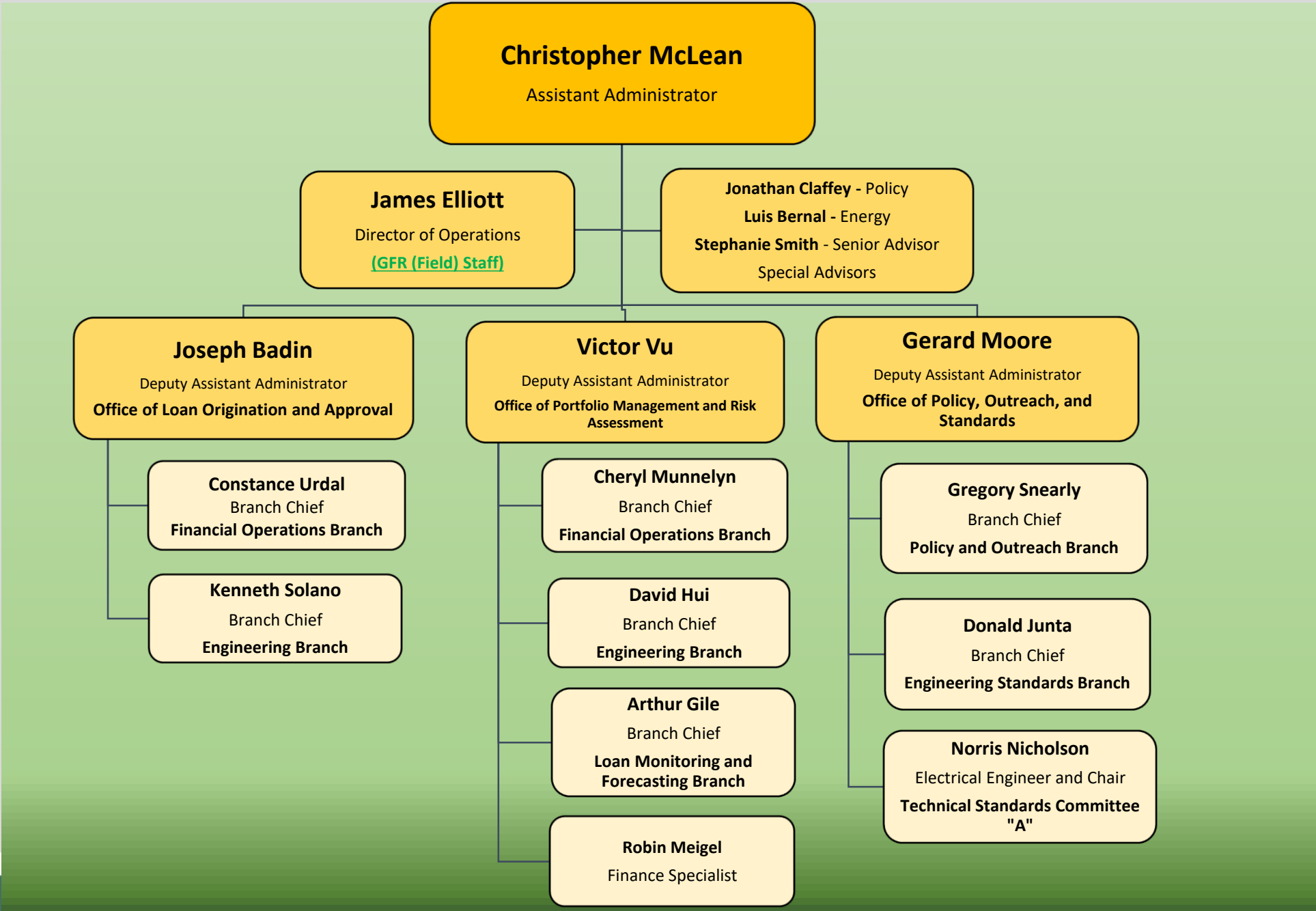
202.720.6285

Chris.mclean@wdc.usda.gov



Your RUS Electric Program leadership staff

(...subject to change soon)



Your RUS GFR field staff...



RUS Fiscal Year Operating Challenges: 2018

- Government wide “hiring freeze” is major operating challenge.
- Without special hiring authority approval cannot replace any employee who retires, resigns or passes away.
- RUS was fully staffed for FY 2017
- But:
 - MN GFR resigned March 30, 2018 (Schmidt)
 - OK GFR passed away January 27, 2018 (Schminke)
 - Several vacancies in DC due to retirements during 2017
 - 4 in the Branches alone so far
 - Several in RUS Administrator and Assistant Administrator Electric offices



Program Update - *continued*

Fiscal Year 2018 Loans and Appropriations

Appropriations	FFB		RESP		Persistent Poverty		Guarantee		Total	
Program Level	\$	4,111,831,260	\$	93,735,774	\$	625,020,000		\$750,000,000	\$	5,580,587,034
Allocation	\$	4,111,831,260	\$	93,735,774	\$	625,020,000		\$750,000,000	\$	5,580,587,034
Obligated	\$	1,339,211,000	\$	9,500,000	\$	177,681,000		\$750,000,000	\$	2,276,392,000
Remaining Allocation	\$	2,772,620,260	\$	84,235,774	\$	447,339,000		\$0	\$	3,304,195,034
Remaining Authority	\$	2,772,620,260	\$	84,235,774	\$	447,339,000		\$0	\$	3,304,195,034
Surplus/Deficiency of funds	\$	1,788,774,260	\$	66,885,774	\$	38,881,000		\$0	\$	1,894,541,034
Applications	#	\$	#	\$	#	\$	#	\$	#	\$
On Hand for FY2018	97	\$ 2,323,057,000	7	\$ 26,850,000	17	\$ 586,139,000	1	\$ 750,000,000	122	\$ 3,686,046,000
Approved	69	\$ 1,387,361,000	3	\$ 20,500,000	11	\$ 312,620,000	1	\$ 750,000,000	84	\$ 2,470,481,000
Remaining for FY2018	28	\$ 935,696,000	4	\$ 6,350,000	6	\$ 273,519,000	0	\$ -	38	\$ 1,215,565,000

Alaska: 1 FFB Loan for \$13,532,000 Electric Program: 119 FFB Loans for \$3,696,573,000

RUS Bulletin updates: New releases

“Standards and specifications enable RUS borrowers to build the most efficient and affordable infrastructure to deliver electricity to rural America”



1724D-101A Electric System Long-Range Planning Guide

1724D-114 Voltage Regulator Application on Rural Distribution Systems

1724E-205 Design guide: Embedment depths for concrete and steel poles

1724E-214 Guide Specification for Standard Class Steel Transmission Poles

1724E-220 Procurement and Application Guide for Non-Ceramic
Composite Insulators, Voltage Class 34.5 kV and Above

Other RUS Business Updates, Items of Interest...

- FFB Refinancing Program: 1st round applications surpassed any expectation:
 - 180 coops filed 1,200 advance requests totaling \$4.2B
 - Only \$600M was authorized
 - 28 offers out totaling \$340M so far (as of 9/7/2018)
- USDA promoting broadband/smart grid projects!
- Energy efficiency programs still available thru RUS; contact GFR for more information
 - EECLP: Energy Efficiency & Conservation Loan Program
 - RESP: Rural Energy Savings Program

RUS Streamlining Initiative

“Providing borrowers a better customer experience; enhancing RUS efficiency”

- First phase rolled out
 - **Electronic submission of documents**
 - Eliminated need for most Board Resolutions to conduct business with RUS
 - Load Forecasts only approved in year of loan application
 - **Changes in contract submission requirements**
 - **Certification allowances on system design, standards, specifications, materials**
- More changes coming from RUS
- GFRs will share detail as it emerges



RUS Contracting Requirements: Know/understand them!

Facility/ Contract Type	Borrower Responsibility Bid Method	Multiparty Quotations Bid Method (1726.204)	Formal Competitive Bidding (1726.201)	Informal Competitive Bidding (1726.202)	Multi-Party Negotiations Bid Method (1726.203)	RUS Contract Approval?*	RUS Specifications Approval?*(1724.54)
Distribution Line Construction (1726.51; use Form 790 or Form 830)	<\$750K or 1% of NUP per CY	<\$1M or 1.5% of NUP/CY (unit price)	All Other	N/A	N/A	Not Required	No
Substation and Transmission Line Construction (1726.77; use Form 830)	<\$750K or 1% of NUP per CY (NTE \$5M)	N/A	All Other	N/A	N/A	>\$750K or 1% of NUP/Contract (NTE \$1.5M for Dist; \$4.5M for PS)	**
Generation Equipment & Construction	<\$5M	N/A	Yes	Yes	with RUS Approval	Specific Contracts	>\$5M
Buildings (1726.150; use Form 257)	N/A	<\$750K or 1% of NUP/CY (NTE \$5M) (Lump Sum)	All Other	N/A	N/A	Not Required	No
Material & Equipment (Form 198, 1726.50)	All	N/A	N/A	N/A	N/A	Not Required	No
Communications & Control (1726.176; use Form 786)	<\$750K or 1% of NUP per CY (NTE \$5M)	N/A	N/A	N/A	All Other	>\$750K or 1% of NUP/Contract (NTE \$1.5M for Dist; \$4.5M for PS)	>\$1.5M

- All dollar limits are exclusive of owner-furnished materials
- If both dollar & percentage limits stated, the limit is the larger amount in dollars
- See other footnotes in complete document available thru your GFR

Topics of discussion...

- Close Work Orders; prepare Work Order Inventories
- Work Order Inspections
- RUS Business Update
- **Maintain the CWP current using RD Apply**
- RUS Engineering and Environmental Services (RUS EES)



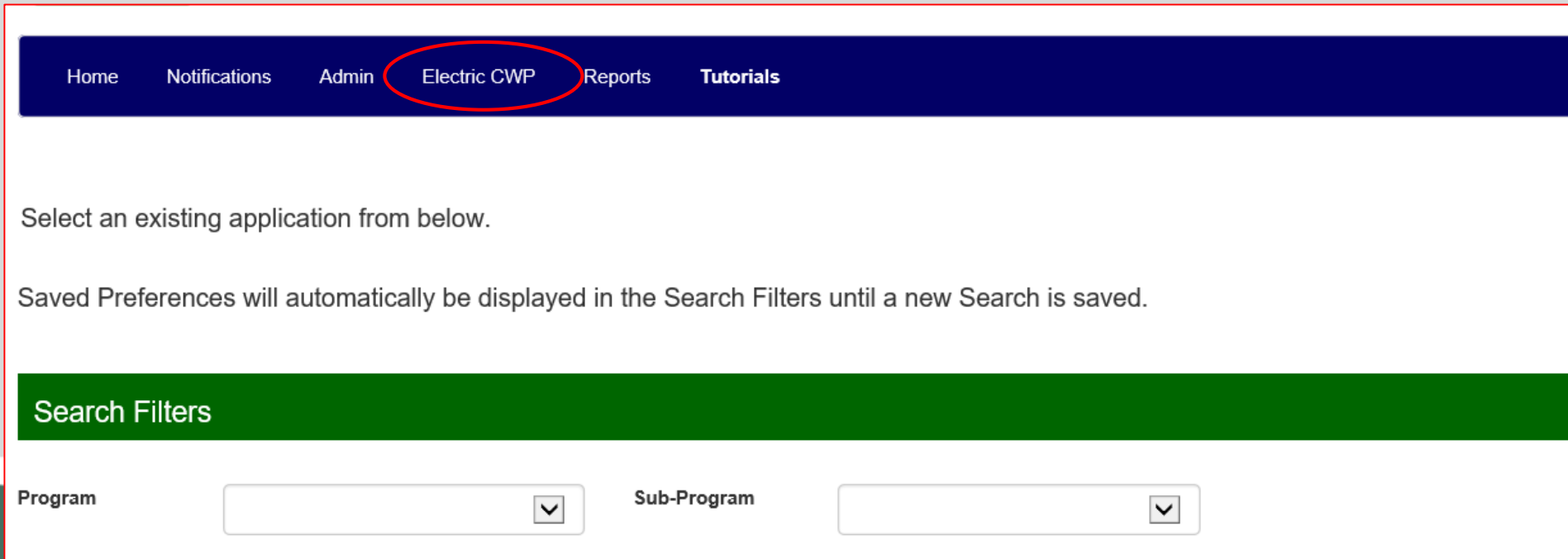
RD Apply (***RDA***) Update

- RD Apply continues to work well for new loan applications
- All required documentation now submitted in RDA
 - CWP
 - ER
 - LRFF
- **CWP amendments also are done in RDA**
 - Process just like submitting a CWP
 - Upload amendment form, supporting engineering & ER documents
 - Advance process to GFR for approval
 - GFR approves amendment & notifies RUS-EES
 - RUS-EES completes review...DONE!!!
- Be sure to hit the **SAVE** button on each screen!!!



RD Apply and CWP Amendments

- Applies to any coop that has submitted a CWP through RD Apply
 - Amendments to RDA approved CWPs are also submitted in RDA
 - Coops that have not yet used RDA for a CWP will continue with the old process until they do a new CWP in RDA
- RDA Coops: Do not start a new CWP to submit an amendment!
 - Go to the Electric CWP module in RDA; the current CWP and any previously loaded amendments will show.



The screenshot displays the RDA application interface. At the top, a dark blue navigation bar contains the following links: Home, Notifications, Admin, **Electric CWP** (highlighted with a red circle), Reports, and Tutorials. Below the navigation bar, the main content area is white and contains the following text:

Select an existing application from below.

Saved Preferences will automatically be displayed in the Search Filters until a new Search is saved.

Below this text is a green header for the "Search Filters" section. Underneath, there are two dropdown menus: "Program" and "Sub-Program", each with a downward arrow icon.

RD Apply and CWP Amendments

- RDA Coops: Do not start a new CWP to submit an amendment!
 - If coop has any other amendments already entered, they will also be shown
 - Simply open the current CWP to which the amendment will apply and use the 'Add' button under amendments:

Search Filters

Construction Number

Search Results

Show 10 entries

Search:

Construction Number	Type	Construction Work Plan Date Range	Construction Work Plan Name	Effective Date	Date Initiated	Date Submitted	Date Last Changed	Amendment Number	Status	Amend
2558	Full Plan	01/01/2017 - 12/31/2020	Construction Work Plan 2017-2020	11/17/2016	12/06/2016		05/03/2017		CWP/Environmental Approved	Add
2689	Amendment	01/01/2017 - 12/31/2020	Amendment - Construction Work Plan 2017-2020	09/27/2017	06/29/2017		10/19/2017	4	CWP/Environmental Approved	
2839	Amendment	01/01/2017 - 12/31/2020	Amendment - Construction Work Plan 2017-2020		02/28/2018		02/28/2018		New	

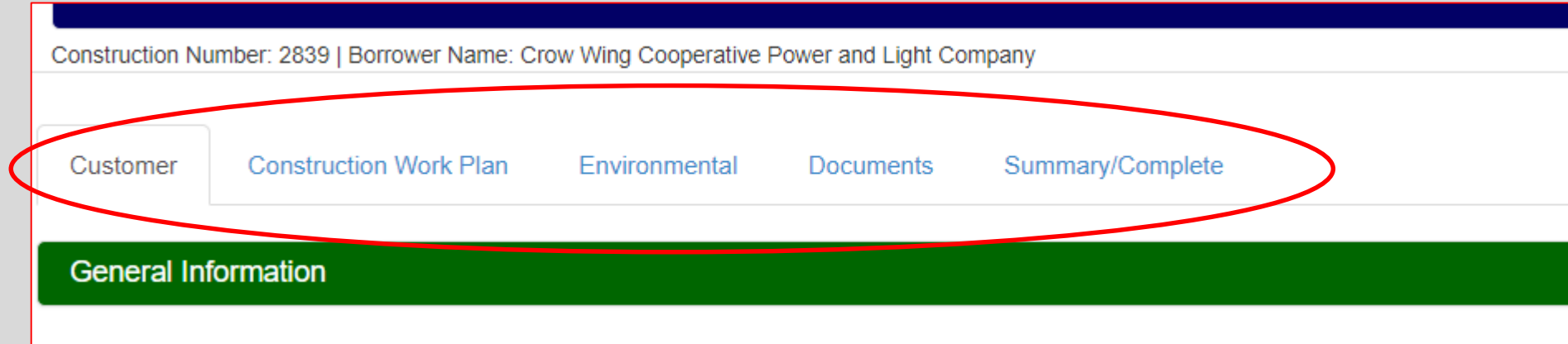
Showing 1 to 3 of 3 entries

Previous 1 Next

RD Apply and CWP Amendments

Don't forget
to SAVE!

- From there, the process is the same as inputting a new CWP; nothing changes:



Construction Number: 2839 | Borrower Name: Crow Wing Cooperative Power and Light Company

Customer Construction Work Plan Environmental Documents Summary/Complete

General Information

- Check the coop information ('Customer') tab to make sure all is still current correct, i.e. any changes in coop staff, contact info, etc.
- Enter the project information in the 'Construction Work Plan' tab (no document upload here)
- Enter the ER information in the 'Environmental' tab (no document upload here)
- Upload all the documents in the 'Documents' tab
- Advance process ('Ready for Review') in the Summary/Complete tab (Certifier only)
 - Coops are allowed two Certifiers for RDA!


RD Apply and CWP Amendments: Screen shots – *Summary/Complete*





- All **red** 'x' must turn to **green** '  ' to signify everything is done!
- Only coop 'certifier' can submit ("**Ready for review**") the amendment
- GFR then uploads GFR approval letter (previous screen) and approves the amendment
- Then it goes to RUS-EES for review/concurrence!

[Home](#) [Notifications](#) [Admin](#) [RD Apply](#) [Tutorials](#)


Construction Number: 2839 | Borrower Name: Crow Wing Cooperative Power and Light Company

[Customer](#) [Construction Work Plan](#) [Environmental](#) [Documents](#) [Summary/Complete](#)

Each section of the Construction Work Plan is presented with a status of when the data has passed validation edits and a status of when the data has failed validation edits. If the status is , a row for each validation issue is shown. The first column shows the status of the data that has the issue and the second column describes the issue. Customers may press the hyperlink related to the page name to correct the issue. In order to set a Construction Work Plan to Complete the CWP must be complete and have a green check  and the required document must have been uploaded. In order to set a Environmental to Complete the Construction Work Plan must have been approved by RUS, the Environmental documents must have been uploaded.

	CUSTOMER
	CONSTRUCTION WORK PLAN
	ENVIRONMENTAL
	DOCUMENTS

RD Apply and CWP Amendments: Screen shots – *Summary/Complete*

-  Completed screen shot; all **green** checkmarks!
- GFR has approved the amendment
- Note – Environmental shows ‘Pending Approval’
 - This just means the environmental report has been submitted, but RUS-EES has not yet concurred/approved the ER aspect of the amendment

Construction Number: 2831 | Borrower Name: North Itasca Electric Co-op, Inc.


Customer

Construction Work Plan

Environmental

Documents

Summary/Complete

Each section of the Construction Work Plan is presented with a status of when the data has passed validation edits and a status of when the data has failed validation edits. If the status is , a row for each validation issue appears under of the data that has the issue and the second column describes the issue. Customers may press the hyperlink related to the page name to correct the issue. In order to set a Construction Work Plan to Complete the Customer section must be complete and have a green check  and the required document must have been uploaded. In order to set a Environmental to Complete the Construction Work Plan must have been approved by RUS, the Environment section must be complete and documents must have been uploaded.

 CUSTOMER

 CONSTRUCTION WORK PLAN

 ENVIRONMENTAL

 DOCUMENTS

Amendment
awaiting RUS-EES
review

Amendment has
been approved
by GFR

Pending Approval

Approved

Return

RD Apply notes...

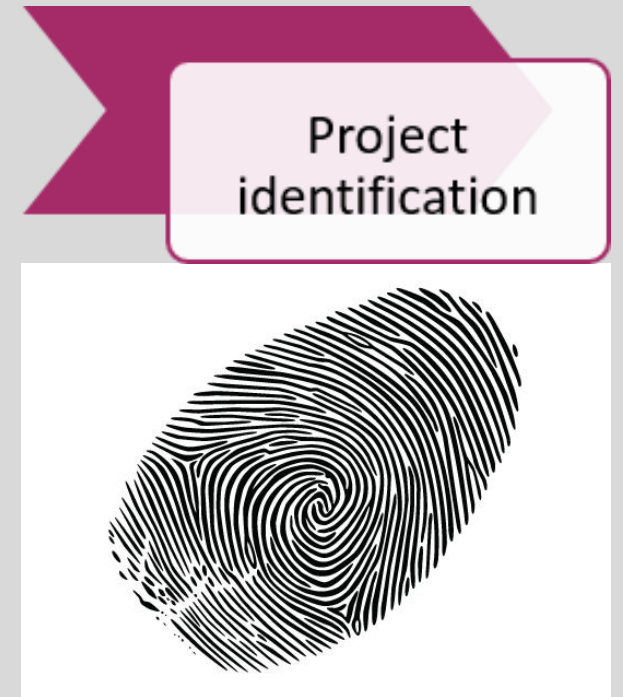
- RDA User guides available from RUS
 - New loan application intake (1-31-17)
 - Construction Work Plan (3-20-17)
- RUS allows coops to assign multiple people with different responsibilities, levels of access/control of RDA
 - All (except 'Certifier') are assigned by the co-op 'Administrator'
 - Co-op 'Certifier' and 'Administrator' are set forth through the Authorized Representative Request (board resolution)



RUS 740C project coding reminders:

IMPORTANT, IMPORTANT, IMPORTANT!!!

- Coop staff and/or consulting engineers need to double-check work order inventories to assure every code submitted on an inventory can be found **with RUS-approved loan funds** on the 740C loan document!
 - Several inventories being filed that have work orders with 740C project codes which do not appear on the coop's approved 740C loan document;
 - Recent streamlining decision to move GIS projects from Budget Purpose 6 (Codes 1501, 1502, 1503) to BP1 Distribution (Codes 707, 708, 709)



Topics of discussion...

- Close Work Orders; prepare Work Order Inventories
- Work Order Inspections
- RUS Business Update
- Maintain the CWP current using RD Apply
- **RUS Engineering and Environmental Services (RUS EES)**



Environmental & the RUS-EES Group



(f) Steve Polaceck, Kelli Kubena
(b) Dennis Rankin, Alexandria Anderson, Lauren Cusick,
Erika Martin-Siebert, Basia Howard

7.CFR1970 Environmental Policies and Procedures

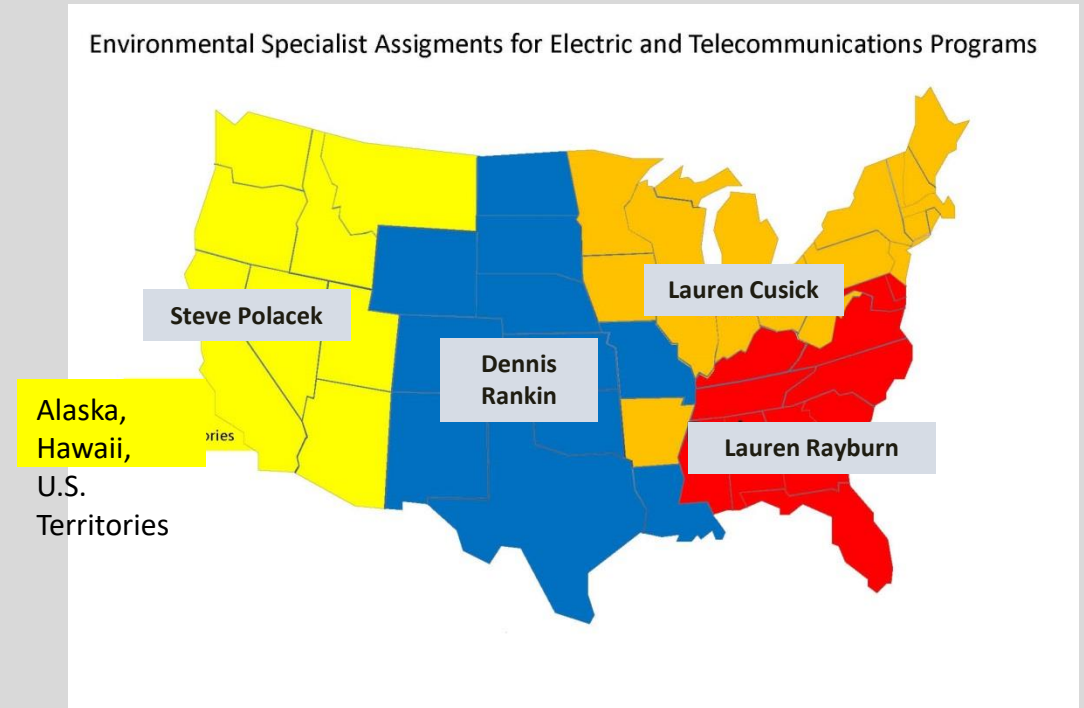
- Replaced 7.CFR1794 in April 2016
- Consolidated all Rural Development programs under one environmental regulation
 - Rural Utilities Service (RUS); Rural Housing Service (RHS); Rural Business-Cooperative Service (RBS)
 - Consistency of environmental regulation for all RD programs; everyone looked at through the same 'review lens'
 - Any project funded by USDA subject to ER considerations
- New NPA (Nationwide Programmatic Agreement)



RUS-EES Operations

RUS Engineering & Environmental Staff (EES)

- Part of the RUS Water & Environmental Program
- Review and approves all RUS borrower ERs
 - Approval required before any work start
 - Approval required before loan app.
- Electric Program (EP) Amendments:
~ 2 week turn-around
- EP CWPs: ~ 4 week turn-around
- Report approval to RUS Electric Program Engineering Branch (Ken Solano)



EES staff
Kellie Kubena, EES Supr.
Erika Martin-Seibert, Arch.
Basia Howard, Arch.

Three main project classifications

- First step: Project classification
 - Determines what actions, if any are required to comply with NEPA by stating the project classification
- Categorical Exclusion (*best*)
 - Little likelihood of project impact except extraordinary circumstances
 - Analysis & documentation minimal
 - 1970.53: without environmental report (*best*)
 - 1970.54: with environmental report (*better*)
 - Should cover most all distribution and minor transmission projects
- Environmental Assessment (*6 months*)
- Environmental Impact Statement (*2 years?*)



Sample: Project summary spreadsheet...

[illegible]

Tribal sovereignty issues

- Tribal issues present unique challenges to the ER process
- Native Americans, by law, are considered government-to-government interaction
- All projects on tribal reservations or tribal land are at issue; tribal authority is sovereign...RUS cannot dictate to tribes any direction. Issues must be resolved with tribe by coop
- Projects on land with only tribal interest are able to be approved (i.e. ER cleared) by RUS over tribal concerns
- Coops best served by cultivating good relations with local TPHOs

NATIVE AMERICAN NATIONS
ARE SOVEREIGN GOVERNMENTS

If my coop doesn't want to contend with RUS environmental approval, there are alternatives.

Answer: True

- Coops can general fund any projects without seeking any environmental review/clearance from RUS.
 - However....simply using general funds does not relieve any utility from complying with federal law pertaining to historic preservation, endangered species, and tribal interests. Includes non-RUS borrowers!
 - Still illegal to disturb any culturally sensitive areas
 - Still illegal to disturb critical habitat or endangered species
 - Still have to contend with tribal sovereignty

ER Website References Used to prepare RUS-required Environmental Reviews

- USFW Information, Planning, and Conservation System (IPaC) (<http://ecos.fws.gov/ipac>)
- USFW ESA & TSA: (<http://www.fws.gov/midwest/endangered/section7/s7process/index.html>)
- USFW Critical Habitat: (<http://ecos.fws.gov/crithab/flex/crithabMapper.jsp>)
- USFW Wetlands: (<http://www.fws.gov/wetlands/Data/Mapper.html>)
- U.S. Army Corps of Engineers Regulatory Program and Permits (<http://www.usace.army.mil/Missions/CivilWorks/RegulatoryProgramandPermits.aspx>)
- USDA Natural Resources Conservation Service Farmland Protection Policy Act (<http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/landuse/fppa>)
- Tribal Directory Assessment Tool (TDAT) (<http://egis.hud.gov/tdat/tribal.aspx>)
- Wilderness Maps (<https://www.wilderness.net/map.cfm>)
- National Park Service table of Wild and Scenic Rivers (<https://www.nps.gov/ncrc/programs/rtca/nri/states/mn.html>)
- US Forest Service (www.fs.fed.us)

* Courtesy STAR
Energy Services

RUS references you might find useful...

- RUS home site
 - <https://www.rd.usda.gov/programs-services/all-programs/electric-programs>
 - Links to DCS, current i-rates, regulations, bulletins, forms, contacts
- RUS RD Apply
 - <https://www.rd.usda.gov/programs-services/rd-apply>
 - Everything to know about RDA, register/apply
- RUS – For Engineers
 - <https://www.rd.usda.gov/programs-services/services/engineers>
 - Materials list
- CFR for RUS program
 - http://www.ecfr.gov/cgi-bin/text-idx?SID=b290133580d60139c9404f4ca2ffa18f&mc=true&tpl=/ecfrbrowse/Title07/7cfrv11_02.tpl#1700



Your turn....questions?



United States
Department of
Agriculture

Rural Development



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USDA Rural Development is committed to the future of rural communities.