

Rule 4 CCR 723-2-8.5 Interest and Deposits

723-2-8.5.2 Simple interest to be paid on a deposit by the LEC ~~during any calendar year~~ shall be at a rate of 4.32 percent. This rate shall remain in effect until permanent rules regulating telecommunications service providers become effective or for 210 days, whichever period is less. Any LEC receiving customer deposits shall be required to amend its respective tariffs to declare that the interest rate on customer deposits is established by the Colorado Public Utilities Commission. A copy of the letter from the Commission declaring the rate of interest to be paid shall be posted in the LEC's general office and each and every payment center where customer payments are accepted. Any customer requesting to confirm the applicable rate of interest shall contact the Colorado Public Utilities Commission. The LEC shall provide the Customer with the address of the Commission. equal to the average for the period October 1 through September 30 (of the immediately preceding year) of the 12 monthly average rates of interest expressed in percent per annum, as quoted in the secondary market for one year United States Treasury Bills, as published in the Federal Reserve Bulletin, by the Board of Governors of the Federal Reserve System. Each year, the Staff of the Commission shall compute the interest rate to be paid and shall send a letter no later than November 15th to each LEC within the state stating the rate of interest to be paid on deposits during the following calendar year. Following receipt of Staff's letter, each utility shall, no later than December 15th of each year file and Advice Letter and revised tariff citing this rule as authority on not less than one day's notice, or file an appropriate application, to revise the tariff, all effective the first day of January of the following year, containing the new interest rate to be paid upon customer's deposits.

L:\decision\2002\C02-1373A_02R-631T.doc Simple interest to be paid on a deposit during any calendar year shall be at a rate equal to the average for the period October 1 through September 30 (of the immediately preceding year) of the twelve monthly average rates of interest expressed in percent per annum, as quoted in the secondary market for one year United States Treasury Bills, as published in the *Federal Reserve Bulletin*, by the Board of Governors of the Federal Reserve System. Each year, the Staff of the Commission shall compute the interest rate to be paid and shall send a letter to each utility within the State stating the rate of interest to be paid on deposits during the calendar year. Annually, following receipt of Staff's letter, each utility, no later than December 1 of each year, shall file by advice letter or application, as appropriate, a revised tariff, effective the first day of January of the following year, containing the new rate of interest to be paid upon customers' deposits, except when there would be no change in the rate of interest to be paid on such deposits as calculated in this paragraph (a) of Rule 11.