

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF RULE 11 (a))
CUSTOMER DEPOSITS, OF THE RULES OF)
THE PUBLIC UTILITIES COMMISSION OF)
THE STATE OF COLORADO REGULATING) CASE NO. 5320
THE SERVICE OF ELECTRIC UTILITIES)
WITHIN THE STATE OF COLORADO.)

IN THE MATTER OF RULE 11 (a))
CUSTOMER DEPOSITS, OF THE RULES OF)
THE PUBLIC UTILITIES COMMISSION OF)
THE STATE OF COLORADO REGULATING) CASE NO. 5321
THE SERVICE OF GAS UTILITIES)
WITHIN THE STATE OF COLORADO.)

IN THE MATTER OF RULE 11 (a))
CUSTOMER DEPOSITS OF THE RULES OF)
THE PUBLIC UTILITIES COMMISSION OF)
THE STATE OF COLORADO REGULATING) CASE NO. 5322
THE SERVICE OF WATER UTILITIES)
WITHIN THE STATE OF COLORADO.)

IN THE MATTER OF RULE 11 (a))
SUBSCRIBER DEPOSITS, OF THE RULES)
OF THE PUBLIC UTILITIES COMMISSION)
OF THE STATE OF COLORADO REGULATING) CASE NO. 5323
THE SERVICE OF TELEPHONE UTILITIES)
WITHIN THE STATE OF COLORADO.)

ORDER OF THE COMMISSION
AMENDING RULE 11 (a)

March 6, 1980

S T A T E M E N T

BY THE COMMISSION:

On December 22, 1978, by Decision No. C78-1688 in Case No. 5320 the Commission gave notice that it proposed to revise Rule 11 (a) of its Rules Regulating the Service of Electric Utilities.

On December 22, 1978, by Decision No. C78-1689 in Case No. 5321 the Commission gave notice that it proposed to revise Rule 11 (a) of its Rules Regulating the Service of Gas Utilities.

On December 22, 1978, by Decision No. C78-1690 in Case No. 5322 the Commission gave notice that it proposed to revise Rule 11 (a) of its Rules Regulating the Service of Water Utilities.

On December 22, 1978, by Decision No. C78-1691 in Case No. 5323 the Commission gave notice that it proposed to revise Rule 11 (a) of its Rules Regulating the Service of Telephone Utilities.

In the ordering part of Decision Nos. C78-1688, C78-1689, C78-1690 and C78-1691, the Commission provided that any person, firm or corporation desiring to intervene or participate as a party in said proceeding was required to file a petition for leave to intervene within fifteen days after the date of the order, and further provided that any person, firm or corporation desiring to file any objection, suggestion or modification to the proposed revision of Rule 11 (a) set forth in each decision was required to file its objections, suggestions or modifications on or before January 26, 1979.

After the filing by intervening parties of objections, suggestions and/or modifications to the proposed revision of Rule 11 (a) in each case and after the conduct of a formal consolidated oral hearing on July 11, 1979, the Commission entered Decision No. C79-1508 on September 25, 1979, amending Rule 11 (a) in each of the above numbered cases.

On October 15, 1979, the Mountain States Telephone and Telegraph Company filed an application for rehearing, reconsideration or reargument of Decision No. C79-1508.

On October 30, 1979, the Commission, by Decision No. C79-1732, granted in part the application for rehearing, reconsideration or reargument filed by Mountain States Telephone and Telegraph Company and revised the amendment to Rule 11 (a) in each of the above captioned cases. Decision Nos. C79-1508 and C79-1732 became final at the Commission level on November 21, 1979.

C.R.S. 1973, 24-4-103(11)(d) provides, in part: "Each rule adopted on or after September 1, 1977, together with the attorney general's opinion rendered in connection therewith, shall be filed pursuant to subsection (12) of this section within ten days thereafter with the secretary of state for publication in the Colorado register." The Commission was advised by the office of the Attorney General that it interpreted paragraph 24-4-103(11)(d) to require that both the rule, as amended, and the opinion of the Attorney General rendered thereon must be filed in the office of the Secretary of State within ten days after the adoption of the rule. Inasmuch as Decision Nos. C79-1508 and C79-1732 adopting the amendment to Rule 11(a) in each of the above captioned cases became final at the Commission level on November 21, 1979, and inasmuch as the Commission's request to the Attorney General for his opinion on the legality and constitutionality of the amendment to Rule 11(a) in each case was not requested within sufficient time to permit the filing by the Commission of said rule together with the opinion of the Attorney General within ten days after the adoption of said rule, the Commission entered Decision No. C79-2022, pursuant to C.R.S. 1973, 40-6-112(1), for the purpose of reopening Decision Nos. C79-1508 and C79-1732 and amending Rule 11(a) in each of the above-entitled proceedings.

The Commission, in Decision No. C79-2022, stated that unless a request for a formal oral hearing was made by a party in any of the above entitled cases on or before January 11, 1980, the Commission would enter a subsequent order amending Rule 11(a) in each of the above entitled cases to read as follows:

(a) A utility may require at any time from a customer or prospective customer, a cash deposit intended to guarantee

payment of current bills, but only in accordance with this rule. A deposit intended to guarantee payment of current bills shall not exceed an amount equal to an estimated ninety days' bill of the customer, except in the case of a customer whose bills are payable in advance of service, in which case, the deposit shall not exceed an estimated sixty days' bill of the customer. A deposit required pursuant to this rule may be in addition to any advance, contribution, or guarantee in connection with construction of lines or facilities, as provided in the extension policy of the utility's tariffs on file with the Commission. Simple interest shall be paid by the utility upon a deposit at the percentage rate per annum and in the manner provided in this rule, payable upon the return of the deposit, or annually at the request of the customer. Interest on a deposit shall be earned for the time such deposit is held by the utility, and shall be calculated from the date the deposit is received by the utility to the date of payment to the customer in cash or to the date an amount equal to the deposit is credited to the customer's account. Interest payments, at the option of the utility, may be paid either in cash, or by a credit to the customer's account. 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, payable on one-year United States Treasury Bills, as published in the Federal Reserve Bulletin, by the Board of Governors of the Federal Reserve System. Each utility, annually, commencing in November or December of 1980, but no later than December 15, 1980, shall file by advice letter, or application, as appropriate, a revised tariff, effective the first day of January of the next following year, containing the new rate of interest to be paid upon customer 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. In addition to that provided hereinabove, each utility shall file by advice letter, or application, as appropriate, a revised tariff, effective the first day of May, 1980, containing the new rate of interest to be paid upon customer deposits for the period May 1, 1980, to and including December 31, 1980.

No request for a formal oral hearing was requested on or before January 11, 1980, or subsequently.

An appropriate order will be entered.

O R D E R

THE COMMISSION ORDERS THAT:

1. Rule 11 (a) of the Rules Regulating Service of Electric Utilities in Case No. 5320, Rule 11(a) of the Rules Regulating Service of Gas Utilities in Case No. 5321, Rule 11(a) of the Rules Regulating Service of Water Utilities in Case No. 5322, and Rule 11(a) of the Rules Regulating Service of Telephone Utilities in Case No. 5323 be, and hereby are, amended to read:

(a) A utility may require at any time from a customer or prospective customer, a cash deposit intended to guarantee payment of current bills, but only in accordance with this rule. A deposit intended to guarantee payment of current bills, shall not exceed an amount equal to an estimated ninety days' bill of the customer, except in the case of a customer whose bills are payable in advance of service, in which case, the deposit shall not exceed an

estimated sixty days' bill of the customer. A deposit required pursuant to this rule may be in addition to any advance, contribution, or guarantee in connection with construction of lines or facilities, as provided in the extension policy of the utility's tariffs on file with the Commission. Simple interest shall be paid by the utility upon a deposit at the percentage rate per annum and in the manner provided in this rule, payable upon the return of the deposit, or annually at the request of the customer. Interest on a deposit shall be earned for the time such deposit is held by the utility, and shall be calculated from the date the deposit is received by the utility to the date of payment to the customer in cash or to the date an amount equal to the deposit is credited to the customer's account. Interest payments, at the option of the utility, may be paid either in cash, or by a credit to the customer's account. 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, payable on one-year United States Treasury Bills, as published in the Federal Reserve Bulletin, by the Board of Governors of the Federal Reserve System. Each utility, annually, commencing in November or December of 1980, but no later than December 15, 1980, shall file by advice letter, or application, as appropriate, a revised tariff, effective the first day of January of the next following year, containing the new rate of interest to be paid upon customer deposits, except when there would be no change in the rate of interest to be paid on such deposits as calculated in this paragraph (1) of Rule 11. In addition to that provided hereinabove, each utility shall file by advice letter, or application, as appropriate, a revised tariff, effective the first day of May, 1980, containing the new rate of interest to be paid upon customer deposits for the period May 1, 1980, to and including December 31, 1980.

2. This Order shall be effective on the twenty-first day subsequent to the date entered.

DONE IN OPEN MEETING this 6th day of March, 1980.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

Ellythe S. Haller

[Signature]

Daniel E. Muse
Commissioners

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ERRATA NOTICE

March 17, 1980

Decision No. C80-423
(Issued March 6, 1980)

On Page 4, 26 lines from the top of said page, change said line 26 to read: "deposits as calculated in this paragraph (a) of Rule 11. In addition", rather than: "deposits as calculated in this paragraph (1) of Rule 11. In addition", as it now appears.

The Errata Notice of March 13, 1980, regarding Decision No. C80-423, be, and hereby is, cancelled.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

Harry A. Galligan, Jr.
HARRY A. GALLIGAN, JR.
Executive Secretary

Dated at Denver, Colorado, this
13th day of March, 1980.