

RULE (4 CCR) 723-2-8.5 CUSTOMER 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 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~~ constant maturities, 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. If the difference between the existing customer deposit interest rate and the newly calculated customer deposit interest rate is less than 25 basis points, the existing customer deposit interest rate shall continue for the next calendar year. If the difference between the existing customer deposit interest rate and the newly calculated customer deposit interest rate is 25 basis points or more, the newly calculated customer deposit interest rate shall be used. The Commission ~~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, or an alternative date set by the Commission, file an 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, or on an alternative date set by the Commission, containing the new interest rate to be paid upon customers deposits.