

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~~The simple interest
rate to be paid on customer deposits shall be determined by the
Commission Staff on an annual basis. The rate shall be computed
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~~If the difference between
the existing customer deposit interest and the newly calculated
interest rate rate is 25 basis points or more, the newly
calculated customer deposit interest rate shall be used
beginning January 1 of the following year; otherwise the rate
shall remain unchanged. When it is determined that a change in
the interest rate is warranted, the~~The Commission~~—and—shall
send a letter ~~no later than November 15th~~to each LEC provider
within the state by November 15th identifying the new rate to be
paid on deposits beginning January 1 of the next year. stating
~~the rate of interest to be paid on deposits during the following~~
~~calendar year.~~ Following receipt of Staff's letter notification

by the Commission, each utilityprovider shall, ~~no later than December 15th of each year, or an alternative date set by the Commission,~~ file an Advice Letter and revised tariff on not less than one day's notice, ~~citing this rule as authority on not less than one day's notice, or file an appropriate application, to revise the tariff, all~~ to be effective the first day of January 1of the following year., ~~or on an alternative date set by the Commission, containing the new interest rate to be paid upon customers deposits.~~ To the extent any of the dates contemplated herein are modified, there shall be at least 45 days between the date of the notification letter and the effective date of the rate change.