



Jeffrey P. Ackermann, Chairman
Megan M. Gilman, Commissioner
John Gavan, Commissioner
Doug Dean, Director

Patty Salazar, Executive Director

Jared S. Polis, Governor

November 10, 2020

TO: All Energy and Water Public Utilities

RE: Interest Rate to be Paid on Customer Deposits for the Year 2021.

Many public utilities offering energy and water services to residential and commercial customers in the State of Colorado have the provisions in their tariffs that allow the utility to require customers to maintain a deposit with the utility to ensure payment of services. If the utility is regulated by the Commission and requires such deposits, it is required to pay simple interest on those customer deposits as prescribed by Commission rules.

For calendar year 2020, the rate is 2.33 percent.

For calendar year 2021 the rate will decrease to 0.74 percent.

(The basis point differential is more than 25 points)

Jurisdictional utilities are reminded that it might be necessary to file an advice letter and amend its tariffs to reflect the change in the rate of interest to be paid on its customers' deposits. Filings to implement this tariff change are expected to be filed on or before December 29, 2020 with an effective date of January 1, 2021. Filing this compliance letter during the month of November would be greatly appreciated.

A regulated utility's failure to file the required compliance on or before December 31, 2020 will be viewed as an intentional violation of Commission fining Rules 4 *Code of Colorado Regulations* 723-3-3976, 723-4-4976, or 723-5-5420 and the company could be subject to a fine of up to \$500.00.

For additional information and to facilitate any tariff changes, the Commission entered the corresponding Decisions. Please reference the respective Commission Decision Number if submitting an advice letter. The advice letter filing is a compliance filing.

Please note that this is a NEW Advice Letter filing DO NOT file in the miscellaneous Proceeding number found on the Decision.

Electric Utilities	Decision No. C20-0761
Gas Utilities	Decision No. C20-0762
Water Utilities	Decision No. C20-00760

If you have any questions regarding the applicability of the interest rate on deposits, the manner in which the rate is calculated, or any other issues relating to this letter, please contact Sandi Kahl of Commission Staff at 303-894-2873 or sandi.kahl@state.co.us

Sincerely,

Doug Dean, Director

