

Decision No. C25-0820

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 25M-0491W

IN THE MATTER ESTABLISHING THE INTEREST RATE ON CUSTOMER DEPOSITS
TO BE PAID BY JURISDICTIONAL WATER UTILITIES FOR CALENDAR YEAR 2026.

**COMMISSION DECISION SETTING THE INTEREST
RATE FOR 2026**

Issued Date: November 19, 2025

Adopted Date: October 29, 2025

I. BY THE COMMISSION

A. Statement

1. Pursuant to Commission Rule 5403 of the Rules Regulating Water, jurisdictional utilities may require a new or existing customer to pay a deposit if billing records are available and records indicate recent or substantial delinquencies. Payment of the deposit shall not relieve the customer of the obligation to pay current bills when due.

2. When a jurisdictional water utility accepts the deposit, it is obligated to pay simple interest on the amount paid at a percentage rate calculated by the Commission Staff in the manner described in Rule 5403(n)(II) of Rules Regulating Water Utilities.

3. Provisions of Rule 5403(n)(II) of Rules Regulating Water Utilities require the Commission's Staff to calculate the customer deposit interest 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 for one-year United States

Treasury constant maturities, as published on the website or publication of the Board of Governors of the Federal Reserve System. This newly calculated simple interest per annum rate is compared to the existing customer deposit rate. If the difference is 25 basis points or more, then the new rate is to be used beginning January 1 of the following year. This provision is applicable as the existing rate for calendar year 2025 is 4.93 percent, and the newly calculated rate for 2026 is 4.08 percent. Accordingly, the newly calculated simple interest per annum rate for water utilities accepting customer deposits is higher than the 25-basis point differential threshold and a new rate for 2026 is necessary. Thus, the interest rate on customer deposits for the year 2026 will be decreased to 4.08 percent.

4. If necessary, a utility shall file a new advice letter and tariff on not less than two business days' notice, before December 29, 2025. The advice letter and tariff shall be filed as a new advice letter proceeding and shall comply with all applicable rules. In calculating the proposed effective date, the date the filing is received at the Commission is not included in the notice period and the entire notice period must expire prior to the effective date. The advice letter and tariff must comply in all substantive respects to this Decision in order to be filed as a compliance filing on shortened notice.

II. ORDER

A. The Commission Orders That:

1. The simple interest rate on deposits to be paid by jurisdictional water utilities for the calendar year 2026 shall be 4.08 percent.

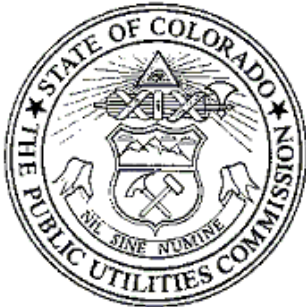
2. To the extent necessary, utilities shall modify their tariffs to comply with this Decision. The compliance filing will be filed as a new advice letter filing and will not be filed in the Proceeding number of this Decision. An advice letter and tariff change may not be required.

3. Pursuant to Rule 5420 of the Commission Rules Regulating Water Utilities, utilities failing to file the required compliance filing could be subject to up to a \$500.00 fine.

4. This Decision is effective upon its Issued Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
October 29, 2025.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Rebecca E. White".

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

ERIC BLANK

MEGAN M. GILMAN

TOM PLANT

Commissioners