



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: August 2, 1999  
 TO: Kelly Biegalski, Division of Communications  
 FROM: Eva Samaan, Division of Auditing and Financial Analysis *ED* *ALM*  
 RE: Docket No. 981868-TI, Colorado River Communications, Interest Calculation for Refund of Overcharges

Staff has calculated the interest on the overcharges in this show cause proceeding based on a memo received on July 26, 1999 from the Division of Communications. Per your request staff prepared two analyses for overcharges. On schedule A, the overcharges occurred evenly from October 1997 to December 1997, while on schedule B, they occurred evenly from October 1997 to March 1998. Finance staff applied the mid-month convention in calculating the interest charges. The appropriate interest rate is the 30-day commercial paper rate for each month. The last available interest rate was 5.075% for July 1999. This calculation assumes that the overcharges will be refunded evenly between November and December 1999. The total refund is \$4,496.25, which consists of \$4,038 in overcharges and \$458.25 in interest accrued through December 1999 as shown on the attached schedules.

- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- MAS \_\_\_\_\_
- OPC \_\_\_\_\_
- PAI \_\_\_\_\_
- SEC   /
- WAW \_\_\_\_\_
- OTH \_\_\_\_\_

cc: Division of Legal Services  
 Division of Records and Reporting (2)

DOCUMENT NUMBER-DATE  
 09757 AUG 17 99  
 FPSC-RECORDS/REPORTING

## SCHEDULE A

## COLORADO RIVER COMMUNICATIONS

MONTH	AVERAGE MONTHLY INTEREST RATE	MONTHLY INTEREST FACTOR	MONTHLY OVER CHARGE	ACCUM. OVER CHARGE	INTEREST ON MONTHLY OVER CHARGE	MONTHLY OVERCHARGE PRINCIPAL AND INTEREST	BALANCE FORWARD PLUS INTEREST	REFUND BALANCE	ACCUM INTEREST
OCT 97	5.53%	0.46%	\$1,026.00	\$1,026.00	\$2.36	\$1,028.36	\$0.00	\$1,028.36	\$2.36
NOV	5.57%	0.46%	1,026.00	2,052.00	2.38	1,028.38	1,033.13	2,061.51	9.51
DEC	5.68%	0.47%	1,026.00	3,078.00	2.43	1,028.43	2,071.26	3,099.69	21.69
JAN 98	5.63%	0.47%	0.00	3,078.00	0.00	0.00	3,114.22	3,114.22	36.22
FEB	5.52%	0.46%	0.00	3,078.00	0.00	0.00	3,128.53	3,128.53	50.53
MAR	5.54%	0.46%	0.00	3,078.00	0.00	0.00	3,142.97	3,142.97	64.97
APR	5.54%	0.46%	0.00	3,078.00	0.00	0.00	3,157.48	3,157.48	79.48
MAY	5.52%	0.46%	0.00	3,078.00	0.00	0.00	3,171.99	3,171.99	93.99
JUNE	5.55%	0.46%	0.00	3,078.00	0.00	0.00	3,186.66	3,186.66	108.66
JULY	5.58%	0.47%	0.00	3,078.00	0.00	0.00	3,201.48	3,201.48	123.48
AUG	5.54%	0.46%	0.00	3,078.00	0.00	0.00	3,216.26	3,216.26	138.26
SEP	5.37%	0.45%	0.00	3,078.00	0.00	0.00	3,230.66	3,230.66	152.66
OCT	5.16%	0.43%	0.00	3,078.00	0.00	0.00	3,244.55	3,244.55	166.55
NOV	5.30%	0.44%	0.00	3,078.00	0.00	0.00	3,258.88	3,258.88	180.88
DEC	5.20%	0.43%	0.00	3,078.00	0.00	0.00	3,273.00	3,273.00	195.00
JAN 99	4.86%	0.40%	0.00	3,078.00	0.00	0.00	3,286.24	3,286.24	208.24
FEB	4.83%	0.40%	0.00	3,078.00	0.00	0.00	3,299.47	3,299.47	221.47
MAR	4.87%	0.41%	0.00	3,078.00	0.00	0.00	3,313.00	3,313.00	235.00
APR	4.84%	0.40%	0.00	3,078.00	0.00	0.00	3,326.25	3,326.25	248.25
MAY	4.83%	0.40%	0.00	3,078.00	0.00	0.00	3,339.55	3,339.55	261.55
JUNE	4.95%	0.40%	0.00	3,078.00	0.00	0.00	3,352.91	3,352.91	274.91
JULY	5.08%	0.42%	0.00	3,078.00	0.00	0.00	3,366.99	3,366.99	288.99
AUG	5.08%	0.42%	0.00	3,078.00	0.00	0.00	3,381.14	3,381.14	303.14
SEPT	5.08%	0.42%	0.00	3,078.00	0.00	0.00	3,395.34	3,395.34	317.34
OCT	5.08%	0.42%	0.00	3,078.00	0.00	0.00	3,409.60	3,409.60	331.60
MONTH	PRINCIPAL	PAYMENT	INTEREST	BALANCE					TOTAL
NOV	\$3,409.60	\$1,715.55	\$14.32	\$1,708.37		OVERCHARGE	\$3,078.00		\$3,078.00
DEC	\$1,708.37	\$1,715.55	\$7.18	\$0.00		TOTAL INTEREST	331.60 +	21.50	\$353.09
TOTAL			\$21.50	\$0.00		TOTAL REFUND	3,409.60		\$3,431.09

**SCHEDULE B**

**COLORADO RIVER COMMUNICATIONS**

MONTH	AVERAGE MONTHLY INTEREST RATE	MONTHLY INTEREST FACTOR	MONTHLY OVER CHARGE	ACCUM. OVER CHARGE	INTEREST ON MONTHLY OVER CHARGE	MONTHLY OVERCHARGE PRINCIPAL AND INTEREST	BALANCE FORWARD PLUS INTEREST	REFUND BALANCE	ACCUM INTEREST
OCT 97	5.53%	0.46%	\$192.00	\$192.00	\$0.44	\$192.44	\$0.00	\$192.44	\$0.44
NOV	5.57%	0.46%	192.00	384.00	0.45	192.45	193.33	385.78	1.78
DEC	5.68%	0.47%	192.00	576.00	0.45	192.45	387.60	580.06	4.06
JAN 98	5.63%	0.47%	192.00	768.00	0.45	192.45	582.78	775.23	7.23
FEB	5.52%	0.46%	192.00	960.00	0.44	192.44	778.79	971.23	11.23
MAR	5.54%	0.46%	0.00	960.00	0.00	0.00	975.72	975.72	15.72
APR	5.54%	0.46%	0.00	960.00	0.00	0.00	980.22	980.22	20.22
MAY	5.52%	0.46%	0.00	960.00	0.00	0.00	984.72	984.72	24.72
JUNE	5.55%	0.46%	0.00	960.00	0.00	0.00	989.28	989.28	29.28
JULY	5.58%	0.47%	0.00	960.00	0.00	0.00	993.88	993.88	33.88
AUG	5.54%	0.46%	0.00	960.00	0.00	0.00	998.47	998.47	38.47
SEP	5.37%	0.45%	0.00	960.00	0.00	0.00	1,002.94	1,002.94	42.94
OCT	5.16%	0.43%	0.00	960.00	0.00	0.00	1,007.25	1,007.25	47.25
NOV	5.30%	0.44%	0.00	960.00	0.00	0.00	1,011.70	1,011.70	51.70
DEC	5.20%	0.43%	0.00	960.00	0.00	0.00	1,016.08	1,016.08	56.08
JAN 99	4.86%	0.40%	0.00	960.00	0.00	0.00	1,020.19	1,020.19	60.19
FEB	4.83%	0.40%	0.00	960.00	0.00	0.00	1,024.30	1,024.30	64.30
MAR	4.87%	0.41%	0.00	960.00	0.00	0.00	1,028.50	1,028.50	68.50
APR	4.84%	0.40%	0.00	960.00	0.00	0.00	1,032.61	1,032.61	72.61
MAY	4.83%	0.40%	0.00	960.00	0.00	0.00	1,036.74	1,036.74	76.74
JUNE	4.95%	0.40%	0.00	960.00	0.00	0.00	1,040.89	1,040.89	80.89
JULY	5.08%	0.42%	0.00	960.00	0.00	0.00	1,045.26	1,045.26	85.26
AUG	5.08%	0.42%	0.00	960.00	0.00	0.00	1,049.65	1,049.65	89.65
SEPT	5.08%	0.42%	0.00	960.00	0.00	0.00	1,054.06	1,054.06	94.06
OCT	5.08%	0.42%	0.00	960.00	0.00	0.00	1,058.49	1,058.49	98.49
MONTH	PRINCIPAL	PAYMENT	INTEREST	BALANCE		OVERCHARGE			TOTAL
NOV	\$1,058.49	\$532.58	\$4.45	\$530.35		\$960.00			\$960.00
DEC	\$530.35	\$532.58	\$2.23	\$0.00		TOTAL INTEREST 98.49 +		6.67	\$105.16
TOTAL			\$6.67	\$0.00		TOTAL REFUND 1,058.49			\$1,065.16