



Public Service Commission

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

DATE: January 7, 2000

TO: Phil Trubelhorn, Division of Communications

FROM: Eva Samaan, Division of Auditing and Financial Analysis *ES*

RE: Docket No. 991861-TI, Coastal Telephone Company, Interest Calculation for Refund of Overcharges *ALM*

Staff has calculated the interest on the overcharges in this show cause proceeding based on a memo received on January 5, 2000 from the Division of Communications. Based on the assumptions provided in the memo, finance staff prepared two analyses for the overcharges. Schedule A reflects the overcharges which occurred from March 1998 to March 1999, while Schedule B calculates the interest on the overcharge and interest brought forward. The appropriate interest rate is the average 30-day commercial paper rate for each month. The last available interest rate was 5.58% for December 1999. The overcharges will be refunded by March 15, 2000. The total refund is \$5,302.81, which consists of \$4,892.36 in overcharges and \$410.45 in interest accrued through March 15, 2000 as shown on the attached schedules.

- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- MAS _____
- OPC _____
- RRR _____
- SEC _____
- WAW _____
- OTH _____

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

DOCUMENT NUMBER-DATE
 00469 JAN 11 8
 FPSC-RECORDS/REPORTING

SCHEDULE A

COASTAL TELEPHONE COMPANY

<u>MONTH</u>	<u>AVERAGE MONTHLY INTEREST RATE</u>	<u>MONTHLY INTEREST FACTOR</u>	<u>MONTHLY OVER CHARGE</u>	<u>ACCUM. OVER CHARGE</u>	<u>INTEREST ON MONTHLY OVER CHARGE</u>	<u>MONTHLY OVERCHARGE PRINCIPAL AND INTEREST</u>	<u>BALANCE FORWARD PLUS INTEREST</u>	<u>REFUND BALANCE</u>	<u>ACCUM INTEREST</u>
MAR 98	5.54%	0.46%	\$376.34	\$376.34	0.87	\$377.20	\$0.00	\$377.20	\$0.87
APR	5.54%	0.46%	\$376.34	752.67	0.87	\$377.20	378.95	756.15	\$3.48
MAY	5.52%	0.46%	\$376.34	1,129.01	0.86	\$377.20	759.62	1,136.82	\$7.82
JUNE	5.55%	0.46%	\$376.34	1,505.34	0.87	\$377.21	1,142.08	1,519.29	\$13.95
JULY	5.58%	0.47%	\$376.34	1,881.68	0.87	\$377.21	1,526.35	1,903.56	\$21.89
AUG	5.54%	0.46%	\$376.34	2,258.01	0.87	\$377.20	1,912.35	2,289.56	\$31.54
SEP	5.37%	0.45%	\$376.34	2,634.35	0.84	\$377.18	2,299.80	2,676.98	\$42.63
OCT	5.16%	0.43%	\$376.34	3,010.68	0.81	\$377.14	2,688.49	3,065.63	\$54.95
NOV	5.30%	0.44%	\$376.34	3,387.02	0.83	\$377.17	3,079.17	3,456.34	\$69.32
DEC	5.20%	0.43%	\$376.34	3,763.35	0.82	\$377.15	3,471.32	3,848.47	\$85.12
JAN 99	4.86%	0.40%	\$376.34	4,139.69	0.76	\$377.10	3,864.04	4,241.14	\$101.45
FEB	4.83%	0.40%	\$376.34	4,516.02	0.76	\$377.09	4,258.21	4,635.30	\$119.27
MAR	4.87%	0.41%	\$376.34	4,892.36	0.76	\$377.10	4,654.09	5,031.19	\$138.83

OVERCHARGE	\$4,892.36
INTEREST	\$138.83
<u>TOTAL</u>	\$5,031.19

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SCHEDULE B**COASTAL TELEPHONE COMPANY**

<u>MONTH</u>	<u>AVERAGE MONTHLY INTEREST RATE</u>	<u>MONTHLY INTEREST FACTOR</u>	<u>MONTHLY OVER CHARGE</u>	<u>ACCUM. OVER CHARGE</u>	<u>INTEREST ON MONTHLY OVER CHARGE</u>	<u>MONTHLY OVERCHARGE PRINCIPAL AND INTEREST</u>	<u>BALANCE FORWARD PLUS INTEREST</u>	<u>REFUND BALANCE</u>	<u>ACCUM INTEREST</u>
APR 99	4.84%	0.40%	\$5,031.19	5,031.19	\$20.29	\$5,051.48	\$0.00	\$5,051.48	\$20.29
MAY	4.83%	0.40%	0.00	5,031.19	0.00	0.00	5,071.79	5,071.79	40.60
JUN	4.95%	0.41%	0.00	5,031.19	0.00	0.00	5,092.71	5,092.71	61.52
JUL	5.08%	0.42%	0.00	5,031.19	0.00	0.00	5,114.25	5,114.25	83.06
AUG	5.21%	0.43%	0.00	5,031.19	0.00	0.00	5,136.46	5,136.46	105.27
SEP	5.31%	0.44%	0.00	5,031.19	0.00	0.00	5,159.19	5,159.19	128.00
OCT	5.30%	0.44%	0.00	5,031.19	0.00	0.00	5,181.97	5,181.97	150.78
NOV	5.43%	0.45%	0.00	5,031.19	0.00	0.00	5,205.40	5,205.40	174.21
DEC	5.58%	0.46%	0.00	5,031.19	0.00	0.00	5,229.58	5,229.58	198.39
JAN 00	5.58%	0.46%	0.00	5,031.19	0.00	0.00	5,253.88	5,253.88	222.69
FEB	5.58%	0.46%	0.00	5,031.19	0.00	0.00	5,278.29	5,278.29	247.10
MAR	5.58%	0.46%	0.00	5,031.19	0.00	0.00	5,302.81	5,302.81	271.62

BAL. FORWARD	\$5,031.19
INTEREST	\$271.62
<u>TOTAL REFUND</u>	\$5,302.81