

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE INTEREST RATE)
ON DEPOSITS COLLECTED FROM) CASE NO. GNR-U-11-01
CUSTOMERS OF GAS, ELECTRIC,)
TELEPHONE AND WATER PUBLIC)
UTILITIES FOR THE CALENDAR YEAR) ORDER NO. 32403
2012)

The Commission's Customer Relations Rules for Gas, Electric and Water Utilities (IDAPA 31.21.01.106) and the Customer Relations Rules for Telephone Companies (IDAPA 31.41.01.104) both provide for the payment of interest on customer deposits. Pursuant to Rule 106.02 of these rule sets, the interest rate on deposits is determined by calculating the 12-month average interest rate for one-year treasury bills for the previous November 1 through October 31. The resulting rate is then rounded to the nearest whole percent. The calculated rate will be in effect for the following calendar year.

Using the weekly rates as posted by the U.S. Department of Treasury, the average interest rate for one-year treasury bills for the 12-month period from November 1, 2010 through October 31, 2011, is .21%. We accept Staff's position that zero is not a "whole" interest rate, low current interest rates represent unusual circumstances, and paying some level of interest on deposits is fair. Accordingly, public utilities shall pay 1.0% annual interest on all customer deposits held pursuant to IDAPA Rules 31.21.01.106 and 31.41.01.104 for calendar year 2012. The 2012 interest rate is identical to the 2010 and 2011 interest rates.

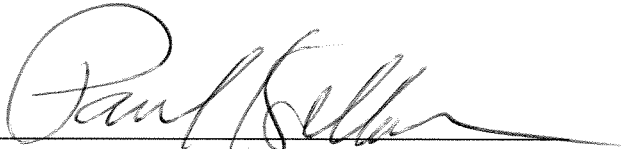
ORDER


IT IS HEREBY ORDERED that 1.0% annual interest shall be paid during calendar year 2012 on customer deposits held by gas, electric, water, and telephone companies subject to this Commission's jurisdiction under IDAPA 31.21.01.106 and 31.41.01.104. The Commission Secretary shall serve this Order upon all public utilities operating within Idaho.

IT IS FURTHER ORDERED that the rate on deferred accounts using the customer deposit rate during calendar year 2012 shall be 1.0%.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* §§ 61-626 and 62-619.

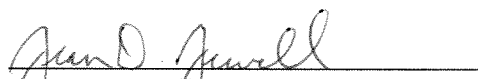
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 29th day of November 2011.


PAUL KJELLANDER, PRESIDENT


MACK A. REDFORD, COMMISSIONER


MARSHA H. SMITH, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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