State of Florida

Public Service Commission

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

DATE: September 29, 1999

TO: Kelly Biegalski, Division of Communications

FROM: Eva Samaan, Division of Auditing and Financial Analysis

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 September 22, 1999 from the Division of Communications. Per your request staff prepared two analyses for overcharges. Schedule A shows the calculation of interest on the overcharges which occurred from October 1997 to December 1997. Schedule B shows the calculation of interest on the overcharges which occurred from October 1997 to March 1998. In both analyses, it has been assumed that the overcharges occurred evenly over the respective periods. 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 the average monthly interest of 5.21% for September 1999. This calculation assumes that the overcharges will be refunded evenly between January and February 2000. The total refund is $4,533.21, which consists of $4,038 in overcharges and $495.21 in interest accrued through February 2000 as shown on the attached schedules.

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

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	5.21%	0.42%	0.00	3,078.00	0.00	0.00	3,381.14	3,381.14	303.14
SEPT	5.21%	0.42%	0.00	3,078.00	0.00	0.00	3,395.34	3,395.34	317.34
OCT	5.21%	0.42%	0.00	3,078.00	0.00	0.00	3,409.60	3,409.60	331.60
NOV	5.21%	0.43%	0.00	3,078.00	0.00	0.00	3,424.26	3,424.26	346.26
DEC	5.21%	0.43%	0.00	3,078.00	0.00	0.00	3,438.98	3,438.98	360.98

MONTH	PRINCIPAL	PAYMENT	INTEREST	BALANCE					TOTAL
JAN	$3,438.98	$1,730.59	$14.66	$1,723.05		OVERCHARGE	$3,078.00		$3,078.00
FEB	$1,723.05	$1,730.59	$7.54	$0.00		TOTAL INTEREST	360.98 +	22.20	$383.18
TOTAL			$22.20	$0.00		TOTAL REFUND	3,438.98		$3,461.18

Prepared by Eva P. Samaan, AFAD

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%	$160.00	$160.00	$0.37	$160.37	$0.00	$160.37	$0.37
NOV	5.57%	0.46%	160.00	320.00	0.37	160.37	161.11	321.48	1.48
DEC	5.68%	0.47%	160.00	480.00	0.38	160.38	323.00	483.38	3.38
JAN 98	5.63%	0.47%	160.00	640.00	0.38	160.38	485.65	646.02	6.02
FEB	5.52%	0.46%	160.00	800.00	0.37	160.37	648.99	809.36	9.36
MAR	5.54%	0.46%	160.00	960.00	0.37	160.37	813.10	973.47	13.47
APR	5.54%	0.46%	0.00	960.00	0.00	0.00	977.96	977.96	17.96
MAY	5.52%	0.46%	0.00	960.00	0.00	0.00	982.45	982.45	22.45
JUNE	5.55%	0.46%	0.00	960.00	0.00	0.00	987.00	987.00	27.00
JULY	5.58%	0.47%	0.00	960.00	0.00	0.00	991.59	991.59	31.59
AUG	5.54%	0.46%	0.00	960.00	0.00	0.00	996.17	996.17	36.17
SEP	5.37%	0.45%	0.00	960.00	0.00	0.00	1,000.62	1,000.62	40.62
OCT	5.16%	0.43%	0.00	960.00	0.00	0.00	1,004.93	1,004.93	44.93
NOV	5.30%	0.44%	0.00	960.00	0.00	0.00	1,009.36	1,009.36	49.36
DEC	5.20%	0.43%	0.00	960.00	0.00	0.00	1,013.74	1,013.74	53.74
JAN 99	4.86%	0.40%	0.00	960.00	0.00	0.00	1,017.84	1,017.84	57.84
FEB	4.83%	0.40%	0.00	960.00	0.00	0.00	1,021.94	1,021.94	61.94
MAR	4.87%	0.41%	0.00	960.00	0.00	0.00	1,026.13	1,026.13	66.13
APR	4.84%	0.40%	0.00	960.00	0.00	0.00	1,030.23	1,030.23	70.23
MAY	4.83%	0.40%	0.00	960.00	0.00	0.00	1,034.35	1,034.35	74.35
JUNE	4.95%	0.40%	0.00	960.00	0.00	0.00	1,038.49	1,038.49	78.49
JULY	5.08%	0.42%	0.00	960.00	0.00	0.00	1,042.85	1,042.85	82.85
AUG	5.21%	0.42%	0.00	960.00	0.00	0.00	1,047.23	1,047.23	87.23
SEPT	5.21%	0.42%	0.00	960.00	0.00	0.00	1,051.63	1,051.63	91.63
OCT	5.21%	0.42%	0.00	960.00	0.00	0.00	1,056.05	1,056.05	96.05
NOV	5.21%	0.43%	0.00	960.00	0.00	0.00	1,060.59	1,060.59	100.59
DEC	5.21%	0.43%	0.00	960.00	0.00	0.00	1,065.15	1,065.15	105.15

MONTH	RINCIPAL	PAYMENT	INTEREST	BALANCE					TOTAL
NOV	$1,065.15	$536.01	$4.54	$533.68		OVERCHARGE	$960.00		$960.00
DEC	$533.68	$536.01	$2.34	$0.00		TOTAL INTEREST	105.15 +	6.88	$112.03
TOTAL			$6.88	$0.00		TOTAL REFUND	1,065.15		$1,072.03

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