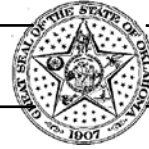


OKLAHOMA CORPORATION COMMISSION

P.O. BOX 52000
OKLAHOMA CITY, OKLAHOMA 73152-2000

Telephone: (405) 521-4114

Brandy Wreath, Director
Public Utility Division



To: Investor Owned Utilities (“IOUs”), Electric Cooperatives, Water companies, and Telecommunications companies
From: Public Utility Division Director Brandy Wreath
Date: December 8, 2020
Re: Notice of Interest Rates to Be Paid on Customer Deposits for Calendar Year 2021

(The calculated 2021 one (1) year U.S. Treasury Securities rate is **0.12%**, and the ten (10) year U.S. Treasury Securities rate is **0.78%**.)

For Natural Gas and Electric Investor-Owned Utilities and Electric Cooperatives

In Calendar Year 2021, the effective interest rate for customer deposits held one year or less will change from the Calendar Year 2020 rate. The interest rate is being modified because the interest rate calculated for Calendar Year 2021 based on the average of the weekly percent annual yields of one (1) year U.S. Treasury Securities for September, October, and November of the preceding year resulted in a change of more than 50 basis points. Therefore, pursuant to OAC 165:35-19-10(g) and 165:45-11-1(f), the interest rate on customer deposits held one year or less will change from 1.65% to **0.12%, effective January 1, 2021.**

The effective interest rate for customer deposits held more than one year will also change from the Calendar Year 2020 rate. The interest rate is being modified because the interest rate calculated for Calendar Year 2021 based on the average of the weekly percent annual yields of ten (10) year U.S. Treasury Securities for September, October, and November of the preceding year resulted in a change of more than 50 basis points. Therefore, pursuant to OAC 165:35-19-10(g) and 165:45-11-1(f), the interest rates on customer deposits held more than one year will change from 1.74% to **0.78%, effective January 1, 2021.**

For Telecommunications

In Calendar Year 2021, the effective interest rate for **telecommunications** customer deposits will change from the Calendar Year 2020 rate. This interest rate is being modified because the interest rate calculated for Calendar Year 2021 based on the average of the weekly percent annual yields of one (1) year U.S. Treasury Securities for September, October, and November of the preceding year resulted in a change of more than 50 basis points. Therefore, pursuant to OAC 165:55-9-14(e) and 165:56-10-11(e), the interest rates on all customer deposits will change from 1.65% to **0.12%, effective January 1, 2021.**

For Water

In Calendar Year 2021, the effective interest rate for **water** customer deposits held one year or less will change from the Calendar Year 2020 rate. The interest rate is being modified because the interest rate calculated for Calendar Year 2021 based on the average of the weekly percent annual yields of one (1) year U.S. Treasury Securities for September, October, and November of the preceding year resulted in a change

of more than 50 basis points. Therefore, pursuant to OAC 165:65-11-3(g), the interest rate on customer deposits held one year or less will change from 1.65% to **0.12%, effective January 1, 2021.**

The effective interest rate for **water** customer deposits held more than one year will also change from the Calendar Year 2020 rate. This interest rate is being modified because the interest rate calculated for Calendar Year 2021 based on the average of the weekly percent annual yields often (10) year U.S. Treasury Securities resulted in a change of more than 50 basis points. Therefore, pursuant to OAC 165:65-11-3(g), the interest rates on customer deposits held more than one year will change from 1.74% to **0.78%, effective January 1, 2021.**

Summary of Effective **2021** Interest Rates for Customer Deposits

Interest Rates that changed from the prior year appear in red

Gas and Electric IOUs and Electric Cooperatives

Customer deposits held one year or less:	0.12%
Customer deposits held more than one year:	0.78%

Telecommunications

All telecommunications deposits:	0.12%
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Water

Customer deposits held one year or less:	0.12%
Customer deposits held more than one year:	0.78%



Brandy Wreath, Director