**Section 340.50 Investment of Money Pool Funds**

a) Investment of money pool funds not lent to affiliates that meet the eligibility requirements of Section 340.40(b) shall be restricted to one or more of the following short-term investments:

1) Interest-bearing accounts with banks;

2) Obligations issued or guaranteed by the U.S. government or its agencies and instrumentalities, including obligations under repurchase agreements;

3) Obligations issued or guaranteed by any state or political subdivision, provided that these obligations are rated not less than A by Standard & Poor's or its successor, Moody's Investors Service or its successor, or Fitch Ratings or its successor;

4) Commercial paper rated not less than A-1 by Standard & Poor's or its successor, P-1 by Moody's Investors Service or its successor, or F-1 by Fitch Ratings or its successor;

5) Money market funds;

6) Bank certificates of deposit and bankers acceptances;

7) Eurodollar certificates of deposits or time deposits;

8) Medium-term notes, variable rate demand notes and variable rate preferred stock rated A- or above by Standard & Poor's or its successor, A3 or above by Moody's Investors Service or its successor, or A- or above by Fitch Ratings or its successor;

9) Short-term securities rated AA or above by Standard & Poor's or its successor, Aa or above by Moody's Investors Service or its successor, or AA or above by Fitch Ratings or its successor;

10) Short-term securities issued or guaranteed by an entity rated AA or above by Standard & Poor's or its successor, Aa or above by Moody's Investors Service or its successor, or AA or above by Fitch Ratings or its successor; or

11) Repurchase agreements with financial institutions rated AA or above by Standard & Poor's or its successor, Aa or above by Moody's Investors Service or its successor, or AA or above by Fitch Ratings or its successor with a minimum of 102% over collateralization.

b) Where money pool funds of a utility are commingled with funds of one or more affiliates under an approved money pool agreement, interest income and other investment income earned on the pool of funds shall be allocated to the participants that provided funds for the money pool in proportion to the aggregate balance of the pool of funds that each such participant contributed.