

EXHIBIT C

Interim Rates and Survey Cycle

<u>COLA Area</u>	<u>Interim COLA Rate</u>	<u>First Survey</u>
Puerto Rico	11.00 *	2001
St. Croix	22.50 *	2001
St. Thomas/St. John	22.50 *	2001
Anchorage	25.00	2002
Fairbanks	25.00	2002
Juneau	25.00	2002
Other Alaska	25.00	2002
Honolulu	25.00	2003
Kauai	22.50	2003
Maui/Molokai	23.75 *	2003
Hawaii	16.50 *	2003
Guam/CNMI	23.75 *	2003
Guam Commissary/PX	22.50*	2003

The rates indicated by * include an increase from the rate published October 21, 1998, which increase becomes effective October 1, 2000. These rates, along with the rate for Kauai, may increase further (effective October 1, 2000) depending upon the results of the 1998 price surveys and the surveys conducted under the New Regulations. Under this settlement, the COLA rates in effect as of October 1, 2000, will be the higher of (a) those in effect as of September 30, 2000, or (b) a rate determined by adding to the September 30, 2000, rate one-half of the amount by which a rate set by adding the adjustment points set forth in Safe Harbor Principle 23 to the price index resulting from the 1997 or 1998 survey (whichever is higher) would exceed the rate in effect as of September 30, 2000. These rates will not be reduced nor will Consumer Price Index adjustments pursuant to Safe Harbor Principle 17 be implemented until the effective date of the final rule implementing the results of the third survey conducted in the first survey cycle. During this same period, COLA rates will increase where warranted by application of the Conforming Methodology.