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§ 197.1 Balance sheet accounts, purpose of

By balance sheet accounts are meant those titles under which the ledger accounts are combined and summarized to show, as of a given date, the assets, liabilities, contributions from the municipality, and surplus or deficit.

§ 197.2 Clearing accounts, purpose of

(a) The clearing accounts are designed to facilitate the distribution of certain expenditures which usually affect both construction and operations or which affect electric operations and other operations of the municipal electric utility. Clearing accounts other than those provided herein may be kept.

(b) Balances in clearing accounts shall be fully cleared not later than the end of the fiscal year unless items held therein unquestionably relate to a future period, except that items incurred during the last month of a fiscal year may be carried over to be cleared in the following month.

§ 197.3 Contingent assets and liabilities

(a) Contingent assets represent a possible source of value to the utility contingent upon the fulfillment of conditions regarded as uncertain. Contingent liabilities include items which may under certain conditions become obligations of the utility but which are neither direct nor assumed liabilities at the date of the balance sheet. In the annual report to the commission, contingent assets and contingent liabilities shall not be included in the balance sheet but shall be shown in a supplementary statement accompanying it.

§ 197.4 Current assets

(a) Current assets are cash, those assets that are readily convertible into money or are held for current use in operations or construction, advance payments made by the utility benefit of which is to be realized within a relatively short period, current claims against others payment of which is reasonably assured, and amounts accruing to the utility which are subject to current settlement.

(b) In the group of accounts designated as current assets (accounts 121 to 131 there shall not be included any item the amount of collectibility of which is not reasonably assured or for which provision has not been made in account 266, Reserve for Uncollectible Accounts. Items of current character but of doubtful value may be carried in these accounts at a nominal value or included in account 145, Miscellaneous Expense, at book cost or nominal value, or written off, as may be appropriate.

(c) Adjustments to accomplish the writing down of items of doubtful value not covered by reserves shall be made through account 514, Miscellaneous Debits to Surplus, or other appropriate account.

§ 197.5 Current liabilities

Current liabilities are those obligations the amount of which is definitely determined or closely estimated which are either matured at the date of the balance sheet or become due within a year from date of issuance or assumption or upon demand, except bonds, which shall be classed as long term debt (see § 196.1, subd. (a) (20)), regardless of the period for which they are to run.

§ 197.6 Delayed items

(a) The term delayed items means items relating to transactions which occurred before the current fiscal year. It includes adjustments of errors in the income, operating revenue, and operating expense accounts of prior years.

(b) Delayed items shall be charged or credited to the same accounts which should have been charged or credited if the items had been taken up or adjusted in the period to which they pertain. When the amount of a delayed item is relatively so large that its inclusion in the accounts for a single month would seriously distort those accounts, it may be distributed in equal amounts to the accounts for the current and remaining months of the fiscal year.

(c) If the amount of any delayed item is relatively so large that its inclusion in the accounts for a single year would seriously distort those accounts, the utility, if so authorized by order of the commission, may carry to Surplus as much of the amount as may be authorized. In requesting such authority, the utility shall file with the commission the full particulars concerning each such item and the reasons which in its judgment indicate the propriety of such accounting.

#### § 197.7 Depreciation accounting

##### (a) Computation and filing of depreciation rates.

(1) Each utility shall determine and file with this commission not later than six months following the date when it becomes subject to this system of accounts, a statement showing composite annual percentage rates considered applicable to the book cost of each class of depreciable property or subdivision thereof (see subd. (c) hereunder) used wholly or partly in electric operations, which rates shall be based upon the estimated service values and service lives developed by a study of the utility's history and experience, the history and experience of other utilities and electric corporations, and such engineering and other information as may be available in respect of probable future conditions. These percentage rates shall be computed in conformity with the group plan of accounting for depreciation and shall be such that the loss in service value of the property will be distributed in equal monthly charges during the service life of the property in accordance with the straight-line method (see § 196.1, subd. (a) (44)). When a class of depreciable property covers two or more distinct types of property with different service lives and/or net salvage values, the service lives and net salvage values shall be separately determined for each such type of property. When this is done the composite annual rates shall be computed so as to produce a charge to operating expenses for each class of depreciable property which will be equal to the sum of the amounts chargeable for each of the various types of depreciable property included in such class. The composite annual rates so filed shall be accompanied by a statement subscribed by the responsible municipal official or other duly authorized representative of the utility showing the bases therefor and the methods employed in their computation, including the estimated service life and net salvage value at retirement of each class, or subdivision thereof, of depreciable property, and the date when such rates become effective. The utility shall be prepared to submit evidence showing the correctness and applicability under the principles and methods herein prescribed of such rates, and to compute and submit at any time, upon direction of this commission, revised rates when existing rates are deemed inapplicable.

(2) If in the judgment of the utility any composite rate filed with the commission becomes no longer currently applicable, the utility shall in like manner file revised annual composite depreciation rates which in its judgment should be established.

(3) The utility shall keep such records of property and property retirements as will reflect the service life of property which has been retired, or will permit the determination of probable service life by appropriate methods; and also such records as will reflect the percentage of salvage value, or net salvage value, as appropriate, for property retired from each class, or subdivision thereof, of depreciable operating property used wholly or partly in electric operations.

(b) Depreciation charges. (1) Charges for currently accruing depreciation on Operating Property--Electric shall be made monthly to the various operating expense accounts provided for such charges, to clearing accounts, or to account 432, Deductions from Rent Revenues--Electric (see paragraph (3) hereunder), with concurrent credits to account 261, Depreciation Reserves. Charges for Operating Property--General (used partly in electric operations) shall be apportioned among the depreciation expense accounts or clearing accounts provided for electric operations and the corresponding accounts for other operations (see § 196.1, subd. (a) (32)). In computing the monthly charges, one-twelfth of the composite annual rate applicable to each class of depreciable operating property (see subd. (c) hereunder) shall be applied to the balance at the beginning of the month in each account or subdivision thereof covering such depreciable operating property.

(2) Depreciation charges shall be made upon property used but not owned only to the extent that the cost of such property is included in the operating property accounts (see § 197.17, subd. (a)) and shall be made upon the same basis

as for owned depreciable property. Any additional reserve required to meet losses expected to be incurred through reversion of such property to the lessor prior to the expiration of its service life shall be provided through charges to account 790, Amortization of Intangible Property, and credits to account 262, Amortization Reserves. For treatment of depreciation upon leased property, see subdivision (d) of section 197.28.

(3) Depreciation charges on electric property constituting a distinct operating unit leased to others for electric operations, when the lessee has exclusive possession, shall be made to account 432, Deductions from Rent Revenues--Electric, with concurrent credits to account 261, Depreciation Reserves.

(4) In computing depreciation charges, a separate composite annual rate shall be used for each class, or subdivision thereof, of depreciable Operating Property--Electric and Operating Property--General. Such composite rates shall be those filed in accordance with paragraphs (1) and (2) of subdivision (a) of this section, unless otherwise ordered by the commission. Until the filing of such rates, each utility shall use such provisional composite rates as will in its judgment approximate as closely as is reasonably possible the rates to be filed.

(c) Classes of depreciable electric operating property. (1) The classes of depreciable electric operating property, upon which composite depreciation rate shall be based, and the accounts covering such operating property are as follows:

Steam Power Plant Land\* and all in account 312, 5 structures, into one class. (account 311 (1))

Hydro-Electric Power Plant Land\* (account 311 (2))

Internal Combustion Power Plant Land\* (account 311 (3))

Transmission System Land and Rights of Way\* (account 311 (5))

Distribution System Land and Rights of Way\* (account 311 (6))

Office Land\* (account 311 (7))

Shop Land\* (account 311 (8))

Stores Land\* (account 311 (9))

Transportation Land\* (account 311 (10))

Miscellaneous Land\* (account 311 (11))

Steam Power Plant Structures (account 312 (1))

Hydro-Electric Power Plant Structures (account 312 (2))

Internal Combustion Power Plant Structures (account 312 (3))

Transmission System Structures (account 312 (5))

Distribution System Structures (account 312 (6))

Office Structures (account 312 (7))

Shop Structures (account 312 (8))

Stores Structures (account 312 (9))

Transportation Structures (account 312 (10))

Miscellaneous Structures (account 312 (11))

Boiler Plant Equipment (account 321)

Engine Driven Generator Units--Steam (account 322)

Turbo-Generators--Steam (account 323)

Accessory Electric Equipment--Steam (account 324)

Miscellaneous Power Plant Equipment--Steam (account 325)

Reservoirs, Dams, and Waterways (account 331)  
Roads, Trails, and Bridges (account 332)  
Water Wheels, Turbines, and Generators (account 333)  
Accessory Electric Equipment--Hydro (account 334)  
Miscellaneous Power Plant Equipment--Hydro (account 335) Engine Driven Generator Units--Internal Combustion  
(account 342)  
Accessory Electric Equipment--Internal Combustion (account 344)  
Miscellaneous Power Plant Equipment--Internal Combustion (account 345)  
Transmission Roads and Trails (account 351)  
Transmission Substation Equipment (account 352)  
Transmission Overhead Conductors (account 353)  
Transmission Underground Conductor (account 354)  
Poles, Towers, and Fixtures (account 358)  
Underground Conduits (account 359)  
Distribution Substation Equipment (account 361)  
Storage Battery Equipment (account 362)  
Distribution Overhead Conductors (account 363)  
Distribution Underground Conductors (account 364)  
Line Transformers (account 365)  
Overhead Services (account 366)  
Underground Services (account 367)  
Consumers' Meters (account 368)  
Consumers' Meter Installation (account 369)  
Other Property on Consumers' Premises (account 370)  
Street Lighting and Signal System Equipment\*\* (account 371)  
Office Equipment (account 381)  
Stores Equipment (account 382)  
Shop Equipment (account 383)  
Transportation Equipment (account 384)  
Communication Equipment (account 385)  
Laboratory Equipment (account 386)  
General Tools and Implements (account 387)  
Miscellaneous General Equipment (account 388)  
Miscellaneous Tangible Property (account 391)

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FOOTNOTES: \* Except for interests in land with limited terms, such as leaseholds, water rights, water diversion rights, rights of way, and easements. Class C and Class D utilities may combine all operating property in account 311, Land, into one class.

\*\* Utilities may subdivide to show Street Lighting Equipment separately from Signal System Equipment.

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(2) In case the utility carries any operating property in account 392, Undistributed Operating Property, the depreciation provisions herein set forth shall apply thereto. The depreciation charges for such property shall be made to the same accounts as if it were distributed among the operating property accounts appropriate to its character and use.

(d) Depreciation of other than electric property. (1) The instructions for depreciation of operating property as outlined herein shall apply to Operating Property--Electric and to Operating Property--General. The accounting for depreciation on operating property in other operating departments which are subject to regulation by the commission shall be in accordance with the effective systems of accounts applicable to such operations.

(2) Separate expense and reserve accounts shall be maintained for each operating department for recording depreciation upon operating property. Depreciation on non-operating property shall be charged to account 449, Non-operating Revenue Deductions, and credited to an appropriate subdivision of account 267, Miscellaneous Reserves.

#### § 197.8 Discount or premium on owned securities of others

(a) When securities with a fixed maturity date are purchased at a discount (that is, when the total cost, including brokerage fees, taxes, commissions, etc., is less than par), such discount may be spread over the remaining life of the securities through periodic debits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and credits to account 444, Miscellaneous Non-operating Revenues.

(b) In like manner, when securities with a fixed maturity date are purchased at a premium (that is, when the total cost, including brokerage fees, taxes, commissions, etc., is in excess of par), such premium may be amortized over the remaining life of the securities through periodic credits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and debits to account 449, Non-operating Revenue Deductions.

(c) No debits shall be made in respect of discount upon securities held as investments or in special funds unless there is reason to believe that such securities will be redeemed at not less than par and at a date not later than their maturity.

#### § 197.9 Discount or premium and expense on long term debt

(a) A separate subdivision shall be maintained in account 141, Unamortized Debt Discount and Expense, for the excess of discount and debt expense over any premium related to each class of long term debt issued or assumed. (See pars. (12), (14) and (34) of subd. (a) of § 196.1.)

(b) Corresponding subdivisions shall be maintained in account 271, Unamortized Premium on Debt, for the excess of the premium over any discount and debt expense related to each class of long term debt issued or assumed.

(c) Each month there shall be credited to each subdivision of account 141, Unamortized Debt Discount and Expense, the amount applicable to such month under a plan the application of which will equitably distribute the balance therein over the life of the security. Amounts thus credited shall be concurrently charged to account 453, Amortization of Debt Discount and Expense.

(d) Correspondingly, each month there shall be charged to each subdivision of account 271, Unamortized Premium on Debt, the portion of such credit balance which is applicable to that month. Amounts thus charged shall be concurrently credited to account 454, Release of Premium on Debt--Cr.

(e) The utility may extinguish at any time through Surplus all or any part of the balance remaining in any subdivision of account 141, Unamortized Debt Discount and Expense, or account 271, Unamortized Premium on Debt.

(f) Except as provided in subdivision (c), (d) and (e) of this section, the balance in each of these accounts or subdivisions thereof shall be carried until the reacquisition of the securities to which it relates. At that time (unless otherwise ordered by the commission) a portion of the balance in the account or subdivision for the particular class of long term

debt reacquired shall be transferred to account 502, Miscellaneous Credits to Surplus or account 514, Miscellaneous Debits to Surplus, as may be appropriate. Such portion shall be based on the relation of the amount of the particular issue of long term debt reacquired to the total outstanding before its reacquisition. This provision shall not apply to securities held alive in sinking or other funds.

(g) Except as provided in paragraph (10) of subdivision (e) of section 197.21, no discount or expense on long term debt shall be included in any account as a part of the cost of acquiring any property or as a part of the cost of operation.

#### § 197.10 Distribution of pay and expenses of employees

(a) The charges to property accounts, operating expenses, or other accounts for services and expenses of employees engaged in both construction and operation or in more than one class of operations, shall be based upon the actual time engaged in each service, or in case that is impracticable, upon percentages based on study of the time actually engaged during a representative period.

(b) The pay and expenses of general officers of the municipal electric utility and of general municipal officers and employees shall be included in the accounts of the municipal electric utility to the extent that they are actually engaged in such work based upon the actual time so engaged, and shall be charged to the actual work on which they are engaged, to the particular operations over which they have direct supervision, or to the appropriate accounts provided in the administrative and general group in operating expenses.

(c) Salaries of officers or employees and incidental expenses which can be distributed equitably upon a predetermined basis may be distributed through clearing accounts.

#### § 197.11 Employer pensions and benefits

(a) All cost of employee pensions and benefits, whether such costs represent pensions payable currently to retired employees or their beneficiaries, advance provision for future payments, or both, are includible in the charges of each accounting period. A utility may distribute to construction and retirement projects and to clearing and other accounts an applicable portion of the pension and benefits costs.

(b) Costs of accident and health insurance, hospital and surgical insurance, disability and lump sum separation allowances, and similar employee benefits, together with costs of operating educational and recreational facilities are also includible in account 785.1, Employees' Welfare Expenses.

#### § 197.12 Income accounts, purpose of

The income accounts (401 to 460) are designed to show for each month the amounts of operating revenues and operating expenses applicable to electric and other operations subject to the jurisdiction of the commission; the returns upon securities owned and from property not used in operations; the amounts accrued for taxes, uncollectible revenues, and use of moneys, and for exclusive use of properties of others constituting a distinct operating unit; and reservations and appropriations of income.

#### § 197.13 Insurance

(a) The amount of insurance premiums paid in advance shall be included in the appropriate subdivision of account 128, Prepayments, and equitably distributed to the appropriate accounts during the period to which the premiums relate (except minor premiums which may be charged direct, and premiums chargeable to construction).

(b) If the utility does not carry full insurance, monthly charges may be made to account 783.1, Insurance, account 783.2, Injuries and Damages, or other appropriate account, with concurrent credits to account 264, Insurance Reserve, or account 265, Injuries and Damage Reserve, to maintain reserves to cover losses against which the utility is not otherwise insured. (See also § 197.33.)

#### § 197.14 Item lists, interpretation of

Lists of items appearing in the texts of the several accounts are given for the purpose of indicating the application of the prescribed accounting in specific cases. The lists are not to be considered as comprising all items includible in the

several accounts, but merely as representative of them. On the other hand, the appearance of an item in a list warrants the inclusion of such item in the account concerned only when the text of the account also indicates inclusion, in as much as the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts.

#### § 197.15 Jobbing work

The revenue from appliance sales and from jobbing work, such as wiring, installation of appliances, servicing appliances, etc., shall be credited to account 772, Appliance Selling and Jobbing, and the cost of such appliances and jobbing work, including direct labor, shall be charged thereto. Such cost shall include the proportion of superintendence, shop, transportation, stores, and other expenses applicable thereto; except that such allocations are not mandatory for Class D utilities.

#### § 197.16 Joint expenses

(a) In accounting for operating expenses incurred under arrangements between the municipal electric utility and others for joint use of facilities, the creditor in the first instance shall charge the entire expense to the appropriate accounts or to a clearing account. The portions borne by the debtor shall be credited by the creditor to the accounts previously charged therefor and charged by the debtor to the same accounts to which they would be charged if incurred directly to the debtor.

(b) Any allowance for profit or return and taxes on property used under the arrangement shall be credited by the creditor to account 621, Rent from Electric Property and charged by the debtor to the appropriate rent expense account.

(c) Bills covering charges by another party or by another department of the operating municipality under joint arrangements shall be so rendered or analyzed as to make possible allocation of the several elements thereof to the appropriate accounts.

(d) Operating expenses incurred for facilities operated by the operating municipality and used jointly by the municipal electric utility and any other department of the operating municipality shall be treated so that there will be available the details of the charges and the basis of the distribution to each department.

(e) Complete details or copies of contracts or agreements covering joint operations shall be filed with the commission. Such data shall include a statement outlining the reasons for the basis of allocation used.

Note: When production operations are conducted under joint arrangements, the statistics for electricity produced shall be reported in a consistent manner so that each participant will report its share of the quantity of electricity produced.

#### § 197.17 Leased property, expenditures on

(a) Except as provided in subdivision (b) following, the cost of initial improvements (including rearrangements, additions, and betterments) to property leased from others made in the course of preparing the property for electric operations, and the cost of any subsequent additions to and betterments of such leased property, not including replacements, shall be charged to the operating property accounts (see note under accounts 101-109, Operating Property) appropriate for the class of property leased. Amortization and depreciation on such expenditures shall be provided for in the manner set forth in paragraph (2) of subdivision (b) of section 197.7.

(b) When the alterations to leased electric property otherwise chargeable to the property accounts are of relatively minor cost or the period of the lease is less than one year, the cost shall be charged to the accounts chargeable with the cost of repairs to such property.

#### § 197.19 Operating expense accounts, purpose of

The operating expense accounts (701 to 793) are designed to show the cost of electric service exclusive of taxes, uncollectible revenues, and return on investment. (See also § 197.33.)

#### § 197.20 Operating property accounts, purpose of

(a) The operating property accounts are designed to show the original cost (see § 196.1, subd. (a) (33)) of property used (see § 196.1, subd. (a) (43)) in operations, which ordinarily has a service life of more than one year. Operating property used in common by the municipal electric utility and by another department of the operating municipality shall be included in the operating property accounts if the major use is by the electric utility. This shall govern even if the property was acquired through the use of general municipal funds, in which case credit therefor shall be to account 280, Contributions--Operating Municipality.

(b) Every debit or credit to operating property accounts shall be made so as to be readily identifiable with the particular item or items of property to which it relates. When two or more items are acquired under a single undivided contract the records shall show that fact, and shall also show the portion thereof fairly applicable to each such item. (See § 197.22.)

(c) When property ordinarily having a service life of more than one year is installed for temporary use in operations, it shall be accounted for in the same manner as property having a service life of more than one year.

Note: Portable articles purchased from another public utility, but not acquired as a part of a going plant, may be charged to appropriate accounts at cost to the purchasing utility.

#### § 197.21 Operating property accounts, basis of charges to

(a) Amounts chargeable to operating property accounts shall be the reasonable and necessary cost (see § 196.1, subd. (a) (8)) of property constructed or installed by the accounting utility and the original cost (see § 196.1, subd. (a) (33) and note to § 197.20) of operating property acquired from a predecessor public utility (see § 197.27). Existing book balances may be carried until the completion of the inventory and the determination of original cost as required under section 197.22. At that time proposed journal entries to adjust the differences, if any, between book cost as previously carried and original cost shall be filed with the commission. No change (except correction of errors) shall be made in the book cost of any item except upon order of the commission. Nothing herein stated shall be taken as permitting the recording as part of the original cost of operating property of amounts which in previous years were charged to operating expenses, operating taxes or to other income or surplus accounts.

(b) When the consideration given for property is anything other than money, the current money value of such consideration shall be used. In the entry recording such a transaction the actual consideration shall be described with sufficient particularity to identify it. The utility shall be prepared to furnish to the commission the particulars of its determination of the money value of the consideration if other than money.

(c) The cost of hand tools and other individual items of small value and short life shall be charged to the appropriate operating expense or clearing accounts according to the use thereof, except that if such items are consumed directly in construction work, the cost may be included as part of the cost of the constructed unit.

(d) When property is purchased under any plan involving deferred payments, no charges shall be made to operating property accounts for interest, insurance, or other expenditures incidental to such form of payment.

(e) The cost of the construction or acquisition of property chargeable to the operating property accounts shall include the cost of direct labor, indirect labor, materials, transportation, contract work, engineering and supervision, law expenditures, injuries and damages, taxes, interest during construction, permits and privileges, rent of construction facilities, compensation and other insurance applicable to construction, and other analogous elements applicable to the construction and acquisition of property. The cost includible in the principal items are as follows:

(1) Direct labor includes the pay and expenses of employees directly engaged in construction work and of foremen in direct charge thereof.

(2) Indirect labor includes the portion of the pay and expenses of employees indirectly connected with construction work, such as timekeepers, store keepers, and general office employees, applicable to construction work. (See § 197.10.)

(3) Materials includes the purchase price at the point of free delivery plus customs duties, excise taxes, and the costs of inspecting, loading, and transporting, and related stores expense. In determining the cost of materials used for construction, proper allowance shall be made for unused portions of materials recovered in performance of the work involved, and for discounts allowed in the purchase of materials.

(4) Transportation includes the cost of transporting purchased equipment and of transporting employees, materials and supplies, tools, and service equipment to and from points of construction. It includes amounts paid therefor to others and the cost of transportation service rendered by vehicles owned by the utility.

(5) Contract work includes amounts paid for work performed under contract and expenses incurred by the utility in connection with such work, including inspection, engineering and supervision, and costs incident to the award of contracts.

(6) Engineering and supervision includes the portion of the pay and expenses of general officers, engineers, surveyors, draftsmen, and superintendents, and their assistants, applicable to construction work.

(7) Employee pensions and benefits includes the portion of the cost of employee pensions and benefits which is applicable to construction work.

(8) Law expenditures includes the general law expenditures incurred in connection with the construction or acquisition of property and the court and legal costs directly related thereto.

(9) Injuries and damages includes expenditures or losses in connection with construction work on account of injuries to persons or damages to property of others.

(10) Taxes includes taxes actually paid on physical property during construction and before the facilities are ready for service. This includes taxes on land for the period during which it is included in account 110, Construction Work in Progress, until a structure thereon is ready for service or the land is otherwise used in operations. (See note A under account 311, Land.)

(11) Interest includes the net current cost of borrowed funds, or funds furnished by the operating or lessor municipality, used for construction purposes and the same rate upon the utility's own funds so used. Such interest shall be charged each month upon the balance at the beginning of the month in account 110, Construction Work in Progress, and credited to account 455, Interest Charged to Property--Cr. The period for which interest may be so charged shall be limited to the duration of the construction work and shall not extend beyond the time when the property becomes ready for service. In case construction work is suspended, interest charges may not be continued for more than six months thereafter, except upon order of the commission.

Note: Class D utilities are required to include the costs set forth in subdivision (e), paragraphs (2), (4), (6), (7), (8), (9), (10), and (11) only for major construction projects.

#### § 197.22 Operating property--continuing property record required (Class A and Class B utilities only)

(a) Not later than the effective date of this system of accounts each Class A and B utility shall begin in the preparation of a continuing property record of operating property used in electric operations, subdivided so as to show separately the operating property located in each city, village, or town. Such record of property acquired prior to the effective date of this system of account shall be completed not later than two years after the effective date thereof.

(b) The continuing property record shall be arranged in conformity with the operating property accounts and shall show a description of the property and the original cost (see § 196.1, subd. (a) (33)) thereof, except that for such portion of the property, the original cost of which can not be determined without excessive expense, the original cost shall be estimated. In the case of future additions, and so far as reasonably feasible for present property, there shall be shown (either in such continuing property record or in other records referred to therein) for each item of one or more units the date of acquisition (or construction by the accounting utility or any predecessor thereof), the date when first placed in service, the location of the property, and in the case of movable items, the manufacturer's name and any number or other identifying mark imprinted thereon, the number or designation used by the utility, and such other particulars as may be necessary for complete identification. The continuing property record shall show as of the end of each fiscal year, for each prior year's construction, the surviving balance for each continuing property record unit, in terms of both quantities and dollars. Property consisting of a large number of similar items may be grouped and within such groups for each fiscal year the average cost of similar units may be used.

(c) In the case of large items, such as structures, boiler plant equipment, and turbo-generators, the original cost of each unit or group of units comprising a piece of property acquired as a whole, shall be determined when feasible, and otherwise it shall be estimated. In the case of land and structures the original cost of each parcel of land and each structure is sufficient.

(d) The record shall show all essential details and the related costs of equipment in each generating station, substation, transformer station, and transmission line.

(e) Each utility shall file, not later than six months after the effective date of this system of accounts, a statement of the units to be shown separately in the continuing property record. Such units need not be identical with the "Units of Property" to be filed as provided in paragraph (1) of subdivision (b) of section 197.23.

#### § 197.23 Operating property retired

(a) Except as otherwise provided in paragraph (2) of subdivision (b), and subdivision (c) hereunder, the book cost of depreciable operating property retired (see § 196.1, subd. (a) (35)) shall be charged in its entirety to account 261, Depreciation Reserves, together with the cost of removal. To that account shall be credited salvage value and amounts recovered as insurance or otherwise, including amounts provided in account 264, Insurance Reserve.

(b) For the purpose of avoiding undue refinement in accounting for the replacement of small items of property, depreciable Operating Property--Electric and Operating Property--General shall be grouped into (1) units of property, and (2) minor items, and the accounting for retirements and replacements of each group shall be as follows:

(1) Units of property. Not later than six months following the date when it becomes subject to this system of accounts, each utility shall file with the commission a statement subscribed by the responsible municipal official or other duly authorized representative showing for each account or subdivision thereof in Operating Property--Electric (and Operating Property--General) a list of the types and quantities of property which are accounted for as units of property. Any revision thereof shall be filed in like manner. The book cost of any unit of property retired shall be credited to the appropriate operating property account and charged to account 261, Depreciation Reserves, whether or not replaced. The cost of property installed in place of property retired shall be charged to the appropriate operating property account.

(2) Minor items. (i) This group includes any part or element which is not designated as a unit of property. The book cost of any minor item of property retired and not replaced shall be credited to the operating property account wherein included and charged to account 261, Depreciation Reserves, except that, if the book cost of a minor item of property has been or will be accounted for by its inclusion in the unit of property of which it is a part when such unit is retired, no separate credit to the operating property account is required when such minor item is retired.

(ii) If minor items of property are retired and replaced (apart from the unit of property of which they form a part or with which they are associated), no entry shall be made in the operating property account or in account 261, Depreciation Reserves. The cost of the replacement shall be charged to the account appropriate for the cost of repairs to the property, except that, if the replacement effects a substantial betterment (the primary aim of which is to make the property affected more useful, more efficient, or of greater capacity), there shall be charged to the appropriate operating property account the excess cost of the replacement over the estimated cost at current prices of replacing without betterment the minor items retired.

(c) Determination of book cost. The book cost of operating property retired shall be the amount at which such property is included in the operating property accounts including all items set forth in paragraphs (1) to (10) of subdivision (e) of section 197.21. Such costs shall be determined from the utility's records when this can be done, as in the case of land, structures, boilers, engines, generating station and substation equipment, transportation, office, and other equipment, and other items of operating property for which individual cost records are available. When the actual book cost can not be determined from the records, it shall be estimated. When it is impracticable to determine the book cost of each item due to the relatively large number or small cost thereof, the average book cost of the items, with due allowance for differences in size, character or year of installation, shall be used as the book cost of the items retired, except that utilities in Classes C and D need not take account of year of installation. The continuing property record, when completed, shall be used in accounting for retirements.

(d) The accounting for the retirement of items included in account 302, Franchises and Consents, account 303, Miscellaneous Intangible Property, and intangible elements with limited terms included in account 311, Land, shall be as provided in the texts of account 262, Amortization Reserves, and account 790, Amortization of Intangible Property.

(e) When operating property constituting an operating unit or system is sold, the book cost of the property shall be credited to the appropriate operating property accounts. The amounts (estimated if not known) carried with respect thereto in the depreciation and amortization reserve accounts and account 263, Contributions for Extensions, shall be cleared for such reserves. Unless otherwise ordered by the commission, the difference, if any, between (1) the net

amount of such debit and credit items, and (2) the consideration received for the property, shall be included, if a debit, in account 514, Miscellaneous Debits to Surplus, or, if a credit, in account 502, Miscellaneous Credits to Surplus.

(f) If the cause of retirement of depreciable Operating Property--Electric or Operating Property--General is one for which provision has not been made in the depreciation reserves and the loss is not covered by insurance, or if the retirement could not reasonably have been foreseen and provided for, the utility, upon order of the commission, may credit account 261, Depreciation Reserves, and charge account 143, Suspense to be Amortized, with the unprovided for loss in service value and distribute it through charges to account 789, Deferred Retirement Losses, over such period as the commission may order.

#### § 197.24 Operating revenue accounts, purpose of

(a) The operating revenue accounts (601 to 622) are designed to show the amounts of money which the utility becomes lawfully entitled to receive from furnishing electric service and from services incident thereto, and may include amounts for service rendered but not yet billed.

(b) Unless otherwise authorized by order of the commission, the records supporting the entries to electric operating revenue accounts shall be kept so that there will be readily available the detail thereof separately for each city, village, or town.

(c) If the utility desires to charge the appropriate accounts with the cost of electricity used from its own supply in any of its electric operations, the credit therefor shall not be made to operating revenue accounts but to account 729, Duplicate Production Charges--Cr., or account 793, Duplicate Miscellaneous Charges--Cr.

(d) Electricity supplied to municipalities other than the operating municipality without charge, in accordance with franchise requirements, shall be accounted for as provided in account 791, Franchise Requirements.

(e) Electricity supplied to officers or employees of the municipal electric utility without charge or at less than tariff rates, shall be included in operating revenue accounts at tariff rates, with concurrent charges to the accounts to which the pay of such officers or employees is charged. Electricity so supplied to municipal officers or employees not on the payroll of the municipal electric utility shall be included in operating revenue accounts as provided above with concurrent debits to account 280, Contributions--Operating Municipality.

(f) Electricity or other service supplied by the municipal electric utility to the operating municipality (including any function or department thereof except those which are under the jurisdiction of the commission) shall be credited to the appropriate revenue accounts at the cost of rendering such service. (See § 197.33, subds. (c) and (d).) When the amount received for such service is greater or less than such cost, the difference shall be credited or charged, as the case may be, to account 280, Contributions--Operating Municipality.

Note: Electricity supplied or services rendered to any department of the operating municipality which is under the jurisdiction of the commission shall be accounted for as provided in account 726, Production Expenses Transferred--Cr., and account 792, Miscellaneous Expenses Transferred--Cr.

#### § 197.25 Operating revenue accounts, basis of entries

(a) Credits to the various revenue accounts shall be made monthly upon the basis of either: (1) gross tariff rates, or (2) net tariff rates, for electricity supplied or service rendered. If at gross rates, discounts taken shall be charged, or, if at net rates, discounts not taken shall be credited, to the same account. For basis of credits to cover electricity supplied to the operating municipality, see sections 197.24 and 197.33.

(b) The utility shall keep its records so that it can show separately for each class of service under option (1) the discounts taken, or under option (2) the discounts not taken. Corrections of overcharges and overcollections theretofore credited; authorized abatements, allowances, and other corrections to bring charges into conformity with service classifications as filed with the commission shall be charged to the revenue accounts to which they relate.

#### § 197.26 Production expenses--steam, allocation of

(a) If steam produced primarily for generating electricity is utilized in electric operations for other purposes or by another operating department subject to the jurisdiction of the commission, the entire cost shall be charged in the first

instance to the operating expense accounts provided herein for cost of steam production, and the amount applicable to the steam transferred, including repairs and depreciation, shall be credited to account 705, Steam Transferred--Cr.

(b) If another operating department subject to the jurisdiction of the commission is charged with any amount in addition to that which is credited to account 705, Steam Transferred--Cr., in accordance with subdivision (a), such additional amount shall be credited to account 621, Rent from Electric Property.

(c) Steam supplied by the municipal electric utility to the operating municipality (including any function or department thereof except those which are under the jurisdiction of the commission) shall be credited to account 622, Miscellaneous Electric Revenues, at the cost of production. When the amount received for such service is greater or less than such cost, the difference shall be credited or charged, as the case may be, to account 280, Contributions--Operating Municipality.

#### § 197.27 Property purchased

(a) When any electric plant or portion thereof constituting a distinct operating unit is purchased, the constituent elements thereof shall be appraised on the basis of original cost (see § 196.1, subd. (a) (33)) and a copy of such appraisal forwarded to the commission together with proposed journal entries allocating such original cost to the appropriate operating property or other accounts according to the nature of the property acquired. Such entries shall also cover any additional assets acquired or liabilities assumed and any incidental expenditures incurred in connection with the transaction. Full supporting details, including the purchase price and amount of contributions for extensions, if any, shall be furnished with such proposed entries.

(b) Accrued depreciation and amortization to date of purchase shall be determined, and a verified statement relative thereto, together with full supporting details, shall be submitted.

(c) Pending approval of the proposed journal entries, the cost of the electric plant and expenditures incidental to its purchase shall be carried in a suitably designated subdivision of account 145, Miscellaneous Expense, or, upon order of the commission, in account 392, Undistributed Operating Property, and allocation to operating property and other accounts shall be made only upon order of the commission.

(d) In a transaction involving the transfer and acquisition of property, the purchaser shall have available, so far as possible, all existing records and other evidence relating to the purchase, construction, and improvement of the property involved.

#### § 197.28 Rents

(a) Provision is made in the various operating expense accounts for rents payable for items of property or equipment other than those constituting a distinct operating unit of which the utility has exclusive possession. By exclusive possession is meant occupancy when the lessor furnishes no building or janitor service. (See account 433, Rent for Lease of Electric Plant--Dr.) Taxes paid by the lessee upon leased property shall be included in the tax account of the lessee.

(b) When a portion of property or equipment rented from others for use in connection with electric operations is subleased, the revenue derived from such subleasing shall be credited to account 621, Rent from Electric Property.

(c) Rents receivable from utility-owned electric property constituting a distinct operating unit, in the exclusive possession of the lessee for electric operations, shall be credited to account 431, Rent from Lease of Electric Plant--Cr. Other rentals from utility-owned electric property shall be credited to account 621, Rent from Electric Property. All expenditures, together with provision for depreciation, applicable to property the rentals from which are included in account 431, Rent from Lease of Electric Plant--Cr., shall be charged to account 432, Deductions from Rent Revenues--Electric.

(d) When the lessee is responsible for the currently accruing depreciation upon leased property not carried in its accounts (see § 197.17), it shall charge such depreciation to account 433, Rent for Lease of Electric Plant--Dr., with concurrent credits to account 267, Miscellaneous Reserves. Replacements of such property shall be charged to such reserve.

#### § 197.29 Repairs, cost of

(a) The cost of repairs chargeable to the various operating expense accounts includes labor employed, materials used, and expenses incurred in all current maintenance (not including depreciation and amortization), such as:

- (1) Inspecting, testing, and reporting on the condition of operating property specifically to determine the need for repairs, minor replacements, rearrangements, and changes
- (2) Testing for, locating, preventing, and clearing trouble
- (3) Restoring condition of property damaged by wear and tear, decay, or action of the elements
- (4) Replacing minor items of operating property (see also § 197.23, subd. (b)(2)(ii))
- (5) Rearranging and changing the location of property not retired
- (6) Restoring the condition of property damaged by storms, breakage, floods, fire, accident, or other casualties (see also subd. (b))
- (7) Repairing materials for re-use
- (8) Maintenance work on rights of way for transmission or distribution system
- (9) Reconstructing or remodeling items of construction and equipment not resulting in a betterment (see § 197.23, subd. (b) (2) (ii))
- (10) Cutting and replacing pavement, pavement base, and sidewalks in connection with repairs
- (11) Training employees for repair work
- (12) Inspecting and testing after repairs have been made
- (13) Related costs of local plant administration, general plant administration, and engineering, supervision, transportation, shop and stores expenses, and use of tools and implements (see accounts 802-808); except that such allocations are not mandatory for Class D utilities.

(b) The cost of repairs does not include the cost of replacing (see § 196.1, subd. (a) (36)) items of property designated as Units of Property (see § 197.23, subd. (b)(1)).

(c) Materials recovered in connection with repairs to property shall be credited to the same account to which the repair cost was charged.

(d) If employees engaged in plant construction or operation are also required to make repairs, an equitable proportion of their pay and expenses shall be charged to the account appropriate for the cost of such repairs. (See § 197.10.)

(e) If the book cost of any property is carried in account 392, Undistributed Operating Property, the repairs to such property shall be charged to the accounts provided for repairs to property of the same nature and use the book cost of which is carried in other operating property accounts. Repairs to property leased from others shall be treated in like manner.

#### § 197.30 Separate records for each plant

(a) Unless otherwise authorized by order of the commission, separate records shall be maintained for the book cost of property comprising each electric plant owned or operated. The term plant as here used covers each separate generating station, substation, transformer station and transmission line, and the distribution system located in each city, village, or town.

(b) In like manner, expenses of operation and maintenance (accounts 701-734 shall be separately recorded for each plant as defined above, except transmission lines located wholly within a single city, village, or town, and distribution systems, provided that when a large number of small plants of the same nature are located so that two or more are operated as a unit under circumstances which make impracticable the segregation of such expenses, they may be kept for the group instead of for each plant.

(c) Expenses of operation and maintenance of the distribution, street lighting, and signal system property and transmission lines located wholly within a single city, village, or town, and the accounting, collecting, and sales activities (accounts 731-774) shall be kept separately for each city, village, or town, except that, with the approval of the

commission, expenses for two or more such territories which are contiguous and are operated as a unit, may be combined.

Note: The segregation provided for in paragraph A hereof is not required to be established immediately, but shall be established as soon as is reasonably practicable and not later than the completion of the continuing property record provided for in section 197.22.

#### § 197.31 Spreading of income, revenue, and expense items

When the amount of any unusual item includible in an income, operating revenue, or operating expense account for a single month is relatively so large that its inclusion in the accounts for that month would seriously distort those accounts, it may be included, upon order of the commission, in account 145, Miscellaneous Suspense, or account 272, Miscellaneous Unadjusted Credits, as appropriate, and distributed to such accounts and over such period as the commission, by order, may direct.

#### § 197.32 Surplus accounts, purpose of

The Surplus account is the collective title for a small group of accounts which form the connecting link between the income account and the balance sheet. The several accounts thereof (501 to 514) are designed to show the changes in the surplus or deficit during each fiscal year resulting from:

- (a) the operations and other transactions during the period reflected in the income accounts,
- (b) appropriations or other reservations of surplus for specific purposes,
- (c) accounting adjustments not properly attributable to the period (see also §197.6, subd. (b)), and
- (d) miscellaneous losses and gains not provided for elsewhere.

#### § 197.33 Transactions with the municipality

(a) In order that the books of the municipal electric utility may show accurately the results of electric operations, each municipal electric utility shall credit the appropriate account with the cost of property, services, materials, supplies, use of space or equipment, etc., furnished to the operating municipality or any department thereof. (See also account 280, Contributions--Operating Municipality, and §§ 197.24, subd. (f), 197.26, subd. (c).)

(b) Similarly, the accounts for electric operations shall include the cost of all items applicable thereto, including expenses of the municipal electric utility paid out of funds of the operating or lessor municipality, and services, materials, water supply, supplies, use of space or equipment, paving, inspection service, etc., furnished by the operating or lessor municipality or any department thereof. (See also account 280, Contributions--Operating Municipality.)

(c) The offsetting credit or debit for the transactions covered in subdivisions (a) and (b) hereof shall be to account 280, Contributions--Operating Municipality, which may show either a credit or a debit balance.

(d) These provisions are intended to make possible an accurate determination of the results of operations of the municipal electric utility by the inclusion in the operating accounts of all applicable items whether or not they are represented by actual payments. Thus, if an office of a municipal electric utility is located in a general municipal building and if no rent is paid to the operating municipality for such space, the appropriate account for such rent shall be debited with an equitable amount and the offsetting credit shall be to account 280, Contributions--Operating Municipality. If a general municipal officer or employee collects accounts receivable for electricity and the municipal electric utility does not pay from its funds any part of his salary and expenses, an equitable portion of his pay and expenses shall be charged to the appropriate electric operating expense account and the offsetting credit shall be to account 280, Contributions--Operating Municipality. In like manner, if the municipal electric utility furnishes any service such as street lighting, power for pumping water, etc., for which no payment is received from the operating municipality, the cost to the plant of such service shall be accounted for as provided in subdivision (a) hereof and sections 197.24 and 197.26, and charged to account 280, Contributions--Operating Municipality. If payments for items enumerated in subdivisions (a) and (b) consist of a nominal amount, the difference between the cost of the service rendered and the amount paid therefor by the municipality shall be accounted for in like manner.

(e) As of the effective date of this system of accounts, there shall be determined through an analysis of all transactions from the date of the first expenditure for the municipal electric utility, the amount representing the net balance which would result if the transactions covered in this instruction and in account 280, Contributions--Operating Municipality, had been treated as provided herein. This net balance shall be placed on the books as a credit or a debit (as the case may be) to account 280, Contributions--Operating Municipality, and a copy of the journal entries showing detail and source of the information shall be filed with the commission not later than one year after the effective date of this system of accounts.

#### § 197.34 Transfers of property between departments

(a) Transfers of property between operating departments for each of which this commission has prescribed a system of accounts shall be recorded by transferring the book cost (see § 196.1, subd. (a) (4)) thereof from operating property of one department to that of the other, and likewise any related amounts carried in the depreciation and/or amortization reserves of the department in which such property had previously been carried.

(b) Transfers from Operating Property--Electric or Operating Property--General to operating departments of the municipal electric utility not subject to the jurisdiction of this commission, or to the operating or lessor municipality, or to non-operating property accounts, shall be treated as retirements (see § 197.23) and the amount credited to account 261, Depreciation Reserves, shall be the current fair market value of the property transferred, except that land, with or without improvements, transferred to account 112, Non-operating Property, to be held for sale, shall be accounted for as if carried in Operating Property--Electric or Operating Property--General, until sold.

(c) Property transferred from operating departments not subject to the jurisdiction of this commission or from non-operating property accounts or from the operating or lessor municipality, to Operating Property--Electric or Operating Property--General, shall be charged to such account at the original cost plus net carrying charges, if any, for the period during which it has been held for future use in electric service, with credits to the appropriate accounts for the accrued depreciation and/or amortization to date of transfer computed by the straight-line method. In such cases, the utility shall submit to the commission for approval the proposed journal entries to record the changes in property accounts and in reserves involved, together with full supporting details. Note: The above provisions shall not apply to transfers made in the ordinary course through account 123, Materials and Supplies, which shall be treated as provided in section 197.23 and account 261, Depreciation Reserves.

#### § 197.35 Transmission and distribution systems

(a) Transmission system means all substances, lines, and appurtenances thereto used principally for inter-connection or transfer of electricity from a primary source of power to a distribution substation (including any transformer other than a line transformer). In the case of power purchased, the point of delivery or receipt shall be considered a primary source. Transmission system shall also include high tension network conductors from the primary source of power to the primary side of the network transformers. If any lines or equipment operating at a voltage of less than 5,000 volts are included herein, a statement shall be filed with the commission describing such lines or equipment in detail and stating the reasons for classifying them as transmission items.

(b) Distribution system means all substations, lines, and appurtenances thereto used principally for the transfer of electricity from the generating station or the transmission system to the service connection leading to premises of consumers, including the distribution substations. If any lines or equipment operating at a voltage in excess of 10,000 volts are included herein, a statement shall be filed with the commission describing such lines or equipment in detail and stating the reasons for classifying them as distribution items.

#### § 197.36 Unaudited items

When the amount of any item affecting these accounts can not be accurately determined in time for inclusion in the accounts of the fiscal year in which the transaction occurs, the amount of the item shall be estimated and included in the proper accounts. When the item is audited the necessary adjustments shall be made through the accounts in which the estimate was recorded. If, during the interval between the date of inclusion of the item in the accounts and the date on which it is audited, a substantial difference from the initial estimate is determined, appropriate adjustments shall be made in the current accounts to cover such difference. The utility is not required to anticipate small items which would not appreciably affect these accounts.

§ 197.37 Units of property

(See § 196.1, subd. (a) (42) and § 197.23, subd. (b)(1))

§ 197.38 Work order system required (Class A and Class B utilities only)

(a) Class A and Class B utilities shall record all changes in operating property used wholly or partly in electric operations by means of a work order or job order system. Such work orders and supporting records shall be permanently preserved. The work order system shall include a work order estimate and a work in progress record, and shall contain the particulars described below.

(b) All installations, additions, retirements, or replacements shall be covered by a work order estimate and a work in progress record. Standing work orders may be used for projects of less than \$ 1,000 by Class A utilities and for projects of less than \$ 500 by Class B utilities. These limits may be modified by special order of the commission when warranted by particular circumstances.

(c) The work order estimate shall include the following particulars:

(1) A designation number or letter and the signature of the officer or employee who authorized the work or purchase. If authorization is by a board of the operating or lessor municipality or other body, the proper officer shall so state over his signature.

(2) A description and the location of the work to be done (or the purchase to be made), the dates between which such work (or purchase) is to be accomplished, the date when the work was begun, and the date when finished.

(3) Detailed estimates of the cost of the project, together with maps, plans, diagrams, specifications, etc., applicable.

(4) The account or accounts to which the cost of the project is chargeable and the amount chargeable to each account.

(5) Any variations between estimates and actual costs of the project.

(6) When a retirement, replacement, betterment, or rearrangement of property is involved, the work order estimate shall show or refer to other records which cover the book cost (estimated if not known, and the basis of the estimate to be stated) and the date of installation of the property withdrawn, enlarged, rearranged, improved, or replaced, and the name and page of the accounting and engineering books and records covering such installation and the cost thereof. If a work order system was in use at the time such property was installed, reference thereto shall be made by number or other designation.

(d) The work in progress record shall contain the following particulars:

(1) A designation number or letter which shall correspond to the number or letter on the work order estimate covering the same project. When more than one such work in progress record covers the work on a work order estimate, each shall be numbered or lettered in such manner as to be readily identifiable with the work order estimate for the same project.

(2) The accumulated charges applicable to each particular job or project separately for each of the items set forth in subdivision (e) of section 197.21, and the total cost of the completed project. The cost of dismantling and the salvage realized shall also be shown. When any project involves charges to more than one operating property account, a separate work in progress record shall be kept for the work chargeable to each account. Every charge or credit on work in progress records shall refer to the voucher, journal, or other source from which the entry therein was made.

(3) Full details at any time of the amount carried in account 110, Construction Work in Progress. The cost of completed projects shall be promptly transferred from that account to the accounts to which chargeable. Upon coming into service, completed portions involving additions to operating property accounts shall be transferred to the appropriate accounts although other portions of the work covered by the same work order are not yet completed and the work order has not been closed. Credits for such transfers shall be made in separate columns.

Note A: Requirement of the use of the work order system here outlined may be suspended by order of the commission in the case of a utility which satisfies the commission that the system which it has in use for recording changes in operating property accounts gives the equivalent detail by accounts in substantially the same form. The identification of expenditures with property must be complete and clear, and the detail of the cost of each project or job (see § 197.21 (e) (1-10)) must be readily available. The total of the uncompleted projects must also be in agreement with account 110, Construction Work in Progress.

Note B: The work order system is required to record changes in Operating Property--Electric and Operating Property--General. Its use is recommended, however, for recording other expenditures, such as for operating property in other departments, repairs, etc. When used for repairs, balances applicable thereto shall be cleared monthly to the appropriate accounts.

## ACCOUNTS

### BALANCE SHEET ACCOUNTS

#### Fixed Assets

- 101. Operating Property--Electric
- 102-108. Operating Property--Other Operations
- 109. Operating Property--General
- 110. Construction Work in Progress
- 112. Non-operating Property

#### Investments

- 113. Loans to Operating Municipality
- 114. Miscellaneous Investments
- 115. Sinking Funds
- 116. Depreciation Fund
- 117. Miscellaneous Special Funds

#### Current Assets

- 121. Cash
- 122. Working Funds
- 123. Materials and Supplies
- 124. Receivables from Operating Municipality
- 125. Accounts Receivable
- 126. Notes Receivable
- 127. Interest and Dividends Receivable
- 128. Prepayments
- 129. Special Deposits
- 131. Miscellaneous Current Assets

#### Deferred Debit

- 141. Unamortized Debt Discount and Expense
- 143. Suspense to be Amortized
- 144. Clearing Accounts

145. Miscellaneous Suspense  
146. Regulatory Commission Suspense  
Company Securities Owned  
151. Reacquired Securities  
Deficit  
161. Deficit  
Long Term Debt  
231. Bonds  
232. Equipment Obligations--Long Term  
233. Miscellaneous Long Term Debt  
Current and Accrued Liabilities  
241. Payables to Operating Municipality  
242. Accounts Payable  
243. Notes Payable  
244. Consumers' Deposits  
245. Matured Interest  
246. Matured Long Term Debt  
248. Taxes Accrued  
249. Interest Accrued  
251. Advance Billing and Payments  
252. Miscellaneous Current Liabilities  
Reserves  
261. Depreciation Reserves  
262. Amortization Reserves  
263. Contributions for Extensions  
264. Insurance Reserve  
265. Injuries and Damages Reserve  
266. Reserve for Uncollectible Accounts  
267. Miscellaneous Reserves  
Deferred Credits  
271. Unamortized Premium on Debt  
272. Miscellaneous Unadjusted Credits  
Surplus  
280. Contributions--Operating Municipality, Balance Sheet Accounts  
281. Surplus

**FIXED ASSETS**

101-109. Operating Property

A. Accounts representing operating property shall include the cost (see § 197.21) of property which has an expected life in service of more than one year which is used (see § 196.1, subd. (a) (43)) in operations, or which, in the case of electric operating property, is leased to others for electric operations. Separate accounts shall be maintained for each operating department subject to the jurisdiction of this commission, and separate subdivisions shall be maintained for electric operating property constituting a distinct operating unit leased to others for electric operations when the lessee has exclusive possession (see § 197.28); for electric operating property jointly owned; and for electric operating property operated under joint agreement. If the utility has two or more operating departments subject to the jurisdiction of the commission, operating property which is not assignable to a particular department or class of service may be carried in accounts corresponding to those prescribed for electric operating property under an account having the title Operating Property--General.

B. Separate subdivisions hereunder shall be maintained for the book cost of each separate plant owned or operated. (See § 197.30.)

C. Gas operating property shall be accounted for as prescribed in the Uniform System of Accounts for Gas Corporations.

Note A: The cost of additions to and betterments of property leased from others shall be recorded in the operating property accounts, but they shall be maintained in subdivisions entirely separate and distinct from those relating to owned property. (See § 197.17.)

Note B: For treatment of operating property paid for out of general funds, see sections 197.20 and 197.33.

#### 110. Construction Work in Progress

This account shall include the cost of construction projects not ready for service at the date of the balance sheet. It shall include all elements of cost as set forth in paragraphs (1) to (10) of subdivision (e) of section 197.21. The detail thereof shall be as provided in section 197.38.

#### 112. Non-operating Property

This account shall include the cost to the utility of physical property other than that used in connection with its several operating departments subject to the jurisdiction of the commission and which is described in paragraph (27) of subdivision (a) of section 196.1.

Note: Electric property and equipment leased to others for electric operations shall be retained in operating property.

### INVESTMENTS

#### 113. Loans to Operating Municipality

This account shall include notes, loans, and advances to the operating or lessor municipality when they are subject to repayment but are not subject to current settlement; and interest accrued on notes and advances included in this account when such interest is not subject to current settlement.

Note: Advances to the operating or lessor municipality which are not subject to repayment shall be included in account 280, Contributions-Operating Municipality; those subject to current settlement shall be included in account 124, Receivables from Operating Municipality.

#### 114. Miscellaneous Investments

A. This account shall include the cost (except as otherwise provided hereunder) of the utility's investment in securities, if such securities are not included in any special fund account; of long term special deposits (see note B under account 129, Special Deposits); and any other investments not elsewhere provided for. The account shall be kept so as to show separately for each investment, the amount and detail of each class of securities held.

B. When investments carried in this account depreciate in value and the change is considered by the utility to be of long duration, the amount at which they are carried on the books shall be reduced to their fair current value by credits to this account and concurrent charges to account 514, Miscellaneous Debits to Surplus.

C. When securities with a fixed maturity date are purchased at either a discount or a premium, such discount or premium may be amortized over the remaining life of the securities as provided in section 197.8.

Note A: Securities pledged shall be shown separately from securities unpledged.

Note B: Securities borrowed by the utility and pledged shall not be included in this account.

#### 115. Sinking Funds

A. This account shall include the following items when held by trustees or other fiscal agents in charge of sinking funds, or by the utility itself when they are segregated in a distinct fund, for the purpose of redeeming outstanding obligations:

(1) Cash

(2) Securities of others (including those issued by the operating or lessor municipality which are not included in the liability accounts of the municipal electric utility), or other assets, at cost except as otherwise provided herein

(3) Live securities, issued or assumed by the utility, at cost

(4) Amounts deposited with trustees on account of mortgaged property sold, when held for the redemption of securities

B. A separate subdivision shall be kept for each fund, the title of which shall designate the obligation in support of which the fund was created.

C. When securities of others, with a fixed maturity date, are purchased for the sinking fund at either a discount or a premium, such discount or premium may be amortized over the remaining life of the securities as provided in section 197.8.

Note A: Should the constituents of a sinking fund change substantially in value and such change be considered by the custodian to be of long duration, it may be reflected by suitable entries in this account and in the corresponding reserve account or in Surplus, as may be appropriate.

Note B: Sinking funds which are set up in accordance with provisions of Section 127 of the Village Law shall be included in the account herein appropriate to the purpose for which such fund has been created; for example, if a sinking fund is set up to provide for replacement of depreciable property, it shall be included in account 116, Depreciation Fund; if for employees' pensions, it shall be included in account 117, Miscellaneous Special Funds.

#### 116. Depreciation Fund

A. This account shall include the amount of cash and the cost (except as otherwise provided hereunder) of securities of others (including those issued by the operating or lessor municipality which are not included in the liability accounts of the municipal electric utility), and other current assets which have been specifically set aside for the purpose of providing a fund for the replacement of units of depreciable property.

B. When assets carried in this fund depreciate in value and the change is considered by the utility to be of long duration, the amount at which they are carried on the books shall be reduced to their fair current value by credits to this account and concurrent charges to account 514, Miscellaneous Debits to Surplus.

C. When securities with a fixed maturity date are purchased for the depreciation fund at either a discount or a premium, such discount or premium may be amortized over the remaining life of the securities as provided in section 197.8.

#### 117. Miscellaneous Special Funds

A. This account shall include the amount of cash and the cost (except as otherwise provided hereunder) of securities of others (including those issued by the operating or lessor municipality which are not included in the liability accounts of the municipal electric utility), and other assets in insurance, employees' pension, savings, relief, hospital, and other funds which have been raised and specifically set aside or invested for purposes not provided for elsewhere. A separate subdivision shall be provided for each fund.

B. When assets carried in these funds depreciate in value and the change is considered by the utility to be of long duration, the amount at which they are carried on the books shall be reduced to their fair current value by credits to this account and concurrent charges to account 514, Miscellaneous Debits to Surplus.

C. When securities with a fixed maturity date are purchased for special funds at either a discount or a premium, such discount or premium may be amortized over the remaining life of the securities as provided in section 197.8.

## CURRENT ASSETS

### 121. Cash

This account shall include the amount of current funds available for use on demand in the hands of financial officers and agents, in offices, or deposited in banks or with trust companies; and cash in transit.

Note: Checks shall be carried in this account only pending the next deposit in the usual course of business following their receipt; otherwise they shall be carried as accounts receivable.

### 122. Working Funds

This account shall include amounts advanced to officers, agents, employees, and others as working funds from which certain expenditures are to be made and accounted for.

### 123. Materials and Supplies

A. This account shall include the cost of unissued small tools and of all unapplied material and supplies, including tools, repair parts, fuel, etc. The cost shall include the purchase price at the point of free delivery plus customs duties, excise taxes, and the cost of transporting to the storeroom, including loading and unloading. When the cost of transportation is small relative to the purchase price and can not be readily assigned, it may be charged to account 802, Stores--Clearing. Cash and other discounts shall be deducted, when practicable, in determining the cost of the particular material to which they relate or shall be credited to the account to which the material is charged. Discounts which can not be so handled shall be credited to account 802, Stores-Clearing. (Utilities in Class D, see also account 785.2,

Miscellaneous General Expenses.)

B. When any materials or supplies the cost of which has been charged to this account are issued for use, the amount at which they stand charged herein shall be credited to this account and charged to the appropriate construction, operating expense, or other account. Such amount may be based upon the average cost of all items of a given type included in this account at the beginning of the month.

C. Materials recovered in connection with construction, maintenance, or the retirement of property shall be charged to this account as follows:

(1) Re-usable materials consisting of large individual items, such as parts of structures or machinery, shall be included in this account on the basis of original cost, estimated if not known. The cost of repairing such items shall be charged to the appropriate expense account as indicated by previous use.

(2) Re-usable materials consisting of relatively small items the identity and original cost of which (from date of original installation to the final abandonment or sale thereof) can not be maintained without excessive cost of handling and undue refinement in accounting, shall be included in this account upon the basis of current prices new for such items. The cost of repairing such items shall be charged to the appropriate expense account as indicated by previous use.

(3) Scrap and non-usable materials shall be carried at the estimated salvage value. So far as practicable the difference between the amounts realized and the amounts at which the materials are carried in this account shall be adjusted in the depreciation reserves, repair accounts, or other accounts which were credited when the materials were charged to this account.

D. Subdivisions of this account shall be maintained so that it will be possible to show materials and supplies which are held primarily for use in electric operations, those held for merchandise operations (see note C below), those held primarily for use in other classes of operations, those held for sale, and those which because of their nature can not be identified with any one of the four foregoing purposes.

Note A: Interest charged on material bills, the payment of which is delayed, shall be charged to account 452, Miscellaneous Interest Deductions.

Note B: Inventories of materials and supplies shall be taken at intervals of one year or less, and the necessary adjustment shall be made to bring this account into harmony with the actual inventory. In effecting this adjustment, differences which may practicably be assigned to important classes of materials shall be equitably distributed among the ac-

counts to which such classes of materials are ordinarily chargeable. Other differences shall be equitably apportioned among the accounts to which materials have been charged since the last inventory, or carried to account 802, Stores--Clearing. (Utilities in Class D, see also account 785.2, Miscellaneous General Expenses.)

Note C: The cost of merchandise carried in stock for the purpose of sale shall be carried in a separate subdivision of this account. Appliances held under consignment shall not be included herein, but there shall be kept a memorandum account of such appliances either at cost or at selling price, to show the appliances in stock and appliances sold. Materials and supplies to be used in jobbing operations need not be separately shown.

Note D: The cost of line transformers and consumers' meters may be carried in this account until their initial installation, but thereafter shall be excluded from this account and carried in the appropriate operating property account.

#### 124. Receivables from Operating Municipality

This account shall include all obligations from the operating or lessor municipality which are subject to current settlement, such as current balances on open accounts, notes, drafts, etc.; also interest thereon.

Note A: Loans and advances which are not subject to current settlement shall be included in account 113, Loans to Operating Municipality, if subject to repayment; if not subject to repayment, they shall be included in account 280, Contributions--Operating Municipality.

Note B: Balances in this account may be netted with balances in account 241, Payables to Operating Municipality, if such items are netted in settlement, but not otherwise.

#### 125. Accounts Receivable

A. This account shall include amounts owing by consumers and by other debtors (except the operating or lessor municipality), against each of which there is a debit balance representing current transactions. It shall include amounts owing for electricity, merchandise, wiring or other jobbing work; accounts and claims upon which responsibility is acknowledged by concerns or individuals; amounts owing by public authorities other than the operating or lessor municipality; amounts of collectible judgments; and amounts owing by electric companies. This account does not include negotiables. (See § 197.4.)

B. This account shall be subdivided as follows:

- (1) General Consumers
- (2) Merchandise and Jobbing
- (4) Electric Companies including other Municipal Electric Utilities
- (5) Public Authorities (other than the Operating Municipality)
- (6) Officers and Employees (except items which are includible under subdivisions (1) and (2) which are settled currently)
- (7) Others
- (8) Unbilled Service Rendered

Note A: The amount to be reported under this account shall be the sum of all debit balances, not the net balance between this account and account 242, Accounts Payable.

Note B: This account shall not include cash in the hands of employees or representatives charged with the collection or custody of current revenues; nor amounts advanced to officers, employees, or others as working funds.

Note C: In annual reports to the commission the utility may be required to submit an analysis of this account showing separately for each of the above groups the length of time for which balances have been carried in individual accounts.

#### 126. Notes Receivable

This account shall include the amount of notes and bills receivable which are the property of the utility and which by their terms do not run for a period in excess of one year, upon which concerns or individuals other than the operating

or lessor municipality are liable. This includes demand notes, drafts, etc., issued by others than banks, and time notes, drafts, etc., by whomever issued.

#### 127. Interest and Dividends Receivable

This account shall include the amount of current interest accrued to the date of the balance sheet on bonds, mortgages, notes, and other commercial paper owned, on loans made, open accounts, bank deposits, etc., and the amount of dividends receivable on stocks owned. (See § 197.4.)

Note A: Interest which is not subject to current payment and interest accrued on receivables from the operating or lessor municipality shall be included in the account in which is carried the principal on which the interest accrued.

Note B: No interest on securities issued or assumed by the utility shall be included in this account.

#### 128. Prepayments

This account shall include the balances representing payment of items in advance of their accrual, the benefit of which is to be realized subsequent to the time of such payment. Entries shall be made each month transferring from this account to the appropriate accounts the portion of each prepayment which is applicable to that month. The account shall be kept so that there can be determined readily the amounts applicable to the following:

- (1) Taxes and Licenses
- (2) Insurance
- (3) Interest
- (4) Rents
- (5) Miscellaneous

#### 129. Special Deposits

This account shall include the balances of short term deposits of moneys and bank credits in the hands of fiscal agents or others for special purposes. This includes cash deposited with Federal, State, or municipal authorities as a guaranty for the fulfilment of obligations; and deposits in lieu of mortgaged property sold if such deposits are refundable when equivalent property is acquired. Entries to this account shall specify the purposes for which the deposit is made. When such purposes are satisfied through expenditure of funds or otherwise so that the deposit is released, this account shall be credited with the amount of the deposit.

Note A: This account shall not include any assets available for general utility purposes.

Note B: Deposits for more than one year not offset by current liabilities shall not be charged to this account but to account 114, Miscellaneous Investments.

#### 131. Miscellaneous Current Assets

This account shall include all current and accrued assets not includible under any of the foregoing accounts. (See § 197.4.)

### DEFERRED DEBITS

#### 141. Unamortized Debt Discount and Expense

This account shall include the total of the net debit balances representing the excess of the discount and expense over the premium in connection with the issuance of each class of the utility's long term debt. Separate subdivisions shall be maintained in respect of each issue of obligations. (See § 197.9.)

Note: All or any part of such discount and expense may, if desired, be amortized more rapidly through charges, either at time of issuance or later, to account 514, Miscellaneous Debits to Surplus.

#### 143. Suspense to be Amortized

A. This account shall include losses in service value of property retired from causes for which provision has not been made in the depreciation reserves and losses from retirements which could not reasonably have been foreseen and provided for. (See § 197.23, subd. (f) and account 789, Deferred Retirement Losses.) The utility's application for per-

mission to make such use of this account shall give full particulars concerning the property retired, the reason for which it is retired, the amounts provided in respect thereto in the depreciation and amortization reserves, the amount chargeable to this account, and the period over which, in its judgment, such amount should be distributed.

B. This account shall also include any excess cost to the utility of property purchased over the amount which is determined by the commission to be the difference between (1) the amount chargeable to Operating Property--Electric or Operating Property--General, and (2) the accrued depreciation and amortization related thereto at the date of acquisition. (See also § 197.27.)

C. This account shall also include other debit items which are subject to amortization by order of the commission.

D. Charges shall be made to this account only upon order of the commission and shall be written off over such period and in such manner as the commission may by order prescribe.

Note: This account shall be kept so as to show separately the nature and balance of each item included herein.

#### 144. Clearing Accounts

A. This account shall include the balances in accounts (801 to 808) maintained to carry temporarily the cost of operating and maintaining such facilities as office buildings, storehouses, transportation structures and equipment, shops, etc.; such overhead or burden costs as it is desirable to apportion to the construction, operating, and other accounts involved; and charges by the operating municipality.

B. Balances in these accounts shall be fully cleared not later than the end of the fiscal year unless items therein unquestionably relate to a future period, except that items incurred in the last month of the year may be carried over to be cleared in the first month of the next year.

#### 145. Miscellaneous Suspense

This account shall include all debit balances (other than those provided for in accounts 141 to 144 and 146) in suspense accounts that can not be entirely cleared and disposed of until additional information is received. This includes cost of jobbing work unbilled (see § 197.15); amounts on deposit with banks which have failed, pending determination of loss; amounts paid for options pending final disposition; expenditures for plans and investigations made for determining the feasibility of projects under contemplation, pending further disposition; and expenditures for valuations, inventories, and appraisals made in connection with the contemplated purchase or sale of property.

Note: This account shall be kept so as to show separately the nature and balance of each major item included herein.

#### 146. Regulatory Commission Suspense

A. This account shall include all expenses incurred by the utility in connection with formal cases before Federal or State regulatory commissions, or other regulatory bodies, or cases in which such a body is a party. This includes such items as:

(1) Fees, retainers, and expenses of counsel, solicitors, attorneys, accountants, engineers, clerks, attendants, witnesses, and others whose services are secured for the defense or prosecution of proceedings, petitions, or complaints presented to regulatory bodies.

(2) The pay of officers and employees specifically assigned to or engaged in the valuation of property owned or used by the utility, in connection with such cases, and the cost of similar work performed by others.

(3) Office and traveling expenses; stationery, printing, and engineering supplies; and other expenses and supplies including expenses of officers and employees upon matters covered by this account even though no portion of their pay is assignable hereto.

B. Amounts charged hereto shall be distributed to other accounts only over such period and in such manner as the commission may by order prescribe.

C. No debits for any expenditures described in paragraph A hereof shall be made to any other account in this system of accounts except by clearing through this account.

Note: Expenses incurred for the improvement of service, additional inspection, or rendering reports, which are made necessary by the rules and regulations, or orders, of regulatory bodies, shall be charged to appropriate operating expense accounts.

## COMPANY SECURITIES OWNED

### 151. Reacquired Securities

A. When securities have been actually issued (see § 196.1, subd. (a) (2)) by the utility (or after such issuance by another debtor have been assumed by the utility) and after such issuance (or assumption) have been reacquired by the utility and are neither retired nor properly includible in sinking or other funds, they shall be charged at face value to this account.

C. Suitable entries shall be made to eliminate from related discount and premium accounts any amounts applicable to the particular securities reacquired, and any further differences between the price at which the securities have been reacquired and the amount chargeable to this account shall be adjusted through Surplus.

D. Subdivisions shall be maintained under this account for each class of reacquired securities.

Note: This account shall not include securities that are merely guaranteed by the utility.

## DEFICIT

### 161. Deficit

The debit balance, if any, in Surplus shall be shown under this title. (See § 197.32.)

## LONG TERM DEBT

### 231. Bonds

A. This account shall include the face value of unmatured bonded debt issued by the municipal electric utility and not retired and canceled, including all bonds issued by the operating or lessor municipality the proceeds of which were used (or are specifically set aside to be used) to acquire property or pay expenses included in these accounts; of similar unmatured bonds of others, the payment of which has been assumed by the utility; and of bonds so issued or assumed the maturity of which has been extended by specific agreement.

B. This account shall show the amount of bonded debt of each class for which the municipal electric utility is liable for repayment separately from the amount for which the operating or lessor municipality is liable.

C. The obligations included herein shall be recorded so as to show the amount of each issue of bonds within each class of bonded debt.

D. A separate subdivision shall be maintained for each class of bonds, and no two issues of bonds shall be considered to be of the same class unless identical as to nature of security, rate of interest, interest dates, and date of maturity, except that parts of any bonded debt issue agreeing in other characteristics but maturing serially may be treated as being of the same class. The title of each subdivision shall show the essential characteristics of the bonds covered.

### 232. Equipment Obligations--Long Term

A. This account shall include the face value of unmatured obligations having a life of more than one year from date of issuance (or in case of notes maturing serially, a series any part of which matures more than one year from date of issuance), which are secured by lien on specific equipment. This includes equipment bonds, equipment notes, chattel mortgages, and other obligations for which equipment is pledged as security or is held under a "conditional sales agreement."

B. A separate subdivision shall be maintained for each class of long term equipment obligations, and no two issues shall be considered to be of the same class unless identical as to nature of equipment covered, rate of interest, interest dates, and date of maturity, except that parts of any issue agreeing in other characteristics but maturing serially may be treated as being of the same class.

### 233. Miscellaneous Long Term Debt

This account shall include all long term debt of the municipal electric utility not otherwise provided for, including that issued by the operating or lessor municipality the proceeds of which were used (or are specifically set aside to be used) to acquire property or pay expenses included in these accounts. This covers such items as real estate mortgages executed or assumed, assessments for public improvements, notes and unsecured certificates of indebtedness, receipts outstanding for long term debt, and other obligations maturing more than one year after date of issuance or assumption by the utility.

Note: Separate subdivisions shall be maintained for each class of obligations included in this account, and records shall be maintained to show separately for each issue all details as to date of issuance, date of maturity, interest dates and rates, security for obligation, etc.

#### CURRENT AND ACCRUED LIABILITIES

##### 241. Payables to Operating Municipality

This account shall include all credit balances on open accounts, notes, and drafts owing to the operating or lessor municipality which are subject to current settlement.

Note A: Liabilities to the operating or lessor municipality which are not subject to current settlement and those which are not subject to repayment shall be included in account 280, Contributions--Operating Municipality.

Note B: Balances in this account may be netted with balances in account 124, Receivables from Operating Municipality, if such items are netted in settlement, but not otherwise.

##### 242. Accounts Payable

This account shall include the amount of current vouchers, accrued payrolls, and accounts owing to creditors other than the operating or lessor municipality.

##### 243. Notes Payable

A. This account shall include the face value of outstanding obligations in the form of notes, drafts, and acceptances, including equipment obligations and other similar evidences of indebtedness, which are not payable to the operating or lessor municipality and which by their terms do not run for a period in excess of one year.

##### 244. Consumers' Deposits

This account shall include the amounts deposited with the utility by consumers as security for the payment of bills. Deposits refunded shall be charged to this account, and amounts applied to uncollectible or worthless bills shall be credited to the account of the consumer involved and charged to this account.

##### 245. Matured Interest

This account shall include the amount of matured and unpaid interest on debt of the utility except when such interest is added to the principal. (See accounts 241 and 249.)

##### 246. Matured Long Term Debt

This account shall include the face value of long term debt matured and unpaid without specific agreement for extension of the time of payment, including unrepresented bonds called for redemption.

##### 248. Taxes Accrued

This account shall be credited each month with the amount of taxes actually payable which accrued during the month, with concurrent debits to the appropriate accounts for tax charges. As credits to this account will necessarily be based upon estimates, they shall be adjusted from time to time during the year so that the tax charge accounts may show, as nearly as possible, the taxes actually payable and applicable to the year. Payments of taxes for which accruals have been made shall be debited to this account.

Note A: The utility shall keep subdivisions of this account for each kind of tax.

Note B: Instead of keeping this account, utilities in Classes C and D may charge taxes to account 403, Taxes--Electric, or other appropriate account, as payments are made.

##### 249. Interest Accrued

A. This account shall include the amount of interest accrued to the date of the balance sheet, but not payable until after that date, on all indebtedness of the utility or of the operating or lessor municipality for which the utility is liable, except interest which is added to the principal. When interest is paid it shall be charged to this account and credited to cash or other suitable account. Records shall be kept so as to show separately for each item of indebtedness the interest accruals thereon.

B. When interest matures without being paid, it shall be charged to this account and credited to account 245, Matured Interest. Payments to trustees (or other agents of the holders of bonds or other securities) of the interest accrued thereon, which operate under the terms of the securities (or of mortgages supporting such securities) as a release from further liability for such interest, shall be considered equivalent to payments of interest made directly to bondholders.

Note: Interest accrued upon any judgment against the utility shall not be credited to this account, but to the account to which judgment stands credited.

#### 251. Advance Billing and Payments

This account shall include the amount of advance billing which is to be credited to revenue accounts in future months, and advance payments for service (but not contributions for extensions) made by prospective consumers prior to the establishment of service. Amounts included in this account shall be credited to the appropriate revenue accounts in the month in which the service is rendered, or cleared from this account as refunds are made.

#### 252. Miscellaneous Current Liabilities

This account shall include all current and accrued liabilities not includible in any of the foregoing accounts. (See § 197.5.)

### RESERVES

#### 261. Depreciation Reserves

A. This account shall be concurrently credited with amounts charged to operating expenses, clearing accounts, account 432, Deductions from Rent Revenues--Electric, or account 435, Deductions from Rent Revenues--Other Operations, for currently accruing depreciation (see § 196.1, subd. (a) (13)) of operating property (see also § 197.7). It shall also be credited with any amounts which the utility may charge to account 514, Miscellaneous Debits to Surplus, or transfer to this account for depreciation accrued but not provided for prior to the effective date of this system of accounts.

B. At the time of retirement of depreciable operating property this account shall be charged with the book cost of the property retired and the cost of removal, and shall be credited with the salvage value (see § 196.1, subd. (a) (37)) and amounts recovered as insurance or otherwise. It shall be credited with amounts chargeable upon order of the commission to account 143, Suspense to be Amortized as provided in subdivision (f) of section 197.23.

C. This account shall be subdivided so as to show separately the amount applicable to each operating department.

D. For ledger and balance sheet purposes the depreciation reserves applicable to Operating Property--Electric and Operating Property--General, respectively, shall be regarded and treated as single composite reserves. For purposes of analysis, however, each utility shall maintain subsidiary records in which each of these reserves is broken down into component parts corresponding to the classes, or subdivisions thereof, of depreciable property (see § 197.7, subd. (c)). These subsidiary records shall show the current credits and debits to the reserves by such classes, or subdivisions thereof, of depreciable electric property in sufficient detail to show separately for each class (1) cost of operating property retired, (2) cost of removal, (3) salvage, (4) other items, including recoveries from insurance.

E. When transfers of operating property are made from one operating department to another or from or to non-operating property, the accounting shall be as provided in section 197.34.

Note: The utility is restricted in its use of the reserve to the purposes set forth above. It shall not divert any portion of the reserve to Surplus or make any other use thereof without the approval of the commission.

#### 262. Amortization Reserves

A. This account shall be credited with such amounts as are concurrently charged to account 790, Amortization of Intangible Property, or other appropriate account for the amortization of leaseholds, water rights, franchises, consents,

licenses, privileges, patents, and other intangible property having a terminable life, and for losses expected to be incurred through the reversion of improvements on leased property to the lessor prior to the expiration of their service lives. (See § 197.7, subd. (b) (2).)

B. This account shall be concurrently credited with amounts charged to account 514, Miscellaneous Debits to Surplus, to provide a reserve for the amortization of intangible property which does not have a terminable life.

C. When any water right, leasehold, franchise, consent, privilege, or patent expires, is sold or relinquished, or is otherwise retired from service, this account shall be charged with the amount previously credited hereto in respect of such property. The difference between the proceeds realized and the book value (see § 196.1, subd. (a) (6)) of the property retired shall be charged or credited to account 790, Amortization of Intangible Property.

D. Records shall be maintained so as to show separately the balances applicable to each item of intangible property which is being amortized.

E. This account shall be credited with such amounts as are necessary to reflect, as of the effective date of this system of accounts, the expired portion of the life of franchises, consents, patent rights, leaseholds, easements, rights of way, and other interests in land, or other intangible property which has a terminable life, the cost of which is included in operating property. To the extent that provision has not previously been made, the amounts credited to this reserve shall be concurrently debited to Surplus.

Note: The utility is restricted in its use of the reserve to the purposes set forth above. It shall not divert any portion of the reserve to Surplus or make any other use thereof without the approval of the commission.

#### 263. Contributions for Extensions

A. This account shall include contributions to the utility by consumers, governmental bodies other than the operating or lessor municipality, or organizations, of property the cost of which is included in Operating Property--Electric or Operating Property--General, or of money or labor connected directly or indirectly with the construction or acquisition of such property, made for the purpose of establishing or extending the service rendered by the utility or for any other purpose. The records shall be kept so that the amount of the contribution and description of property to which it specifically relates will be readily available.

B. This account shall include any contributions or payments made by consumers in connection with the installation of services the cost of which is included in operating property.

C. Debits (other than correction of errors) shall be made to this account only when contributions are repaid.

Note A: Advances or loans upon which interest is paid shall not be included in this account.

Note B: Operating property paid for from funds advanced by governmental bodies, of which a portion or all is not subject to repayment, shall be included in operating property accounts at the full cost of the property so acquired, and the portion of the advances not to be repaid shall be included in this account.

#### 264. Insurance Reserve

A. This account shall include amounts reserved by the utility, in case it does not carry insurance, for losses through accident, fire, flood, or other hazards to its own property or property leased from others. The amounts charged to account 783.1, Insurance, or other appropriate accounts to cover such risks shall be credited to this account. A schedule of risks covered by this reserve shall be maintained, giving a description of the property involved and the character of the risks covered and the rates used.

B. Charges shall be made to this account for the cost to the utility of repairing damaged property owned or leased from others, the cost to the utility of replacing damaged or destroyed property leased from others, and the book value (see § 196.1, subd. (a) (6)) of the utility's property destroyed or so badly damaged as to require its retirement.

Note: All repairs shall be charged in the first instance to the account appropriate for the repair, and all retirements shall be charged to account 261, Depreciation Reserves, to which account shall be credited amounts chargeable to this account. (See § 196.2 (a).)

#### 265. Injuries and Damages Reserve

A. This account shall be credited with amounts charged to account 783.2, Injuries and Damages, or other appropriate account, to meet the probable liability, not covered by insurance, for deaths or injuries to employees and others, and for damages to property not owned or held under lease by the utility.

B. When liability for any injury or damage is admitted by the utility either voluntarily or because of the decision of a court or other lawful authority, such as a workmen's compensation board, the amount awarded shall be charged to this account. If such a liability is to be discharged over a period in excess of one year, the amount thereof shall be credited to account 233, Miscellaneous Long Term Debt; if payment is to be made in less than one year, to account 252, Miscellaneous Current Liabilities.

Note A: The utility shall keep records supporting entries to this account so that it can furnish full information as to the nature and amount of each charge hereto.

Note B: Recoveries or reimbursements from others shall be credited to this account; cost of repairs to property of others shall be charged to this account. The accounting for repairs and replacements of property leased from others shall be as provided in paragraph B of account 264, Insurance Reserve, and note thereunder.

#### 266. Reserve for Uncollectible Accounts

A. This account shall be credited each month with amounts reserved for losses on accounts receivable which may become uncollectible. Concurrent charges shall be made to account 404, Uncollectible Revenues--Electric, for amounts applicable to electric operations; to corresponding accounts for other operations subject to the jurisdiction of the commission; and to account 449, Non-operating Revenue Deductions, for similar provision for non-operating revenue.

B. This account shall be subdivided as follows:

- (1) General Consumers--Electric
- (2) Merchandise and Jobbing--Electric
- (4) Other Operations (separately for each operating department)
- (5) Others

C. Losses from uncollectible accounts shall be charged, and collections of accounts previously written off shall be credited, to the appropriate subdivision.

#### 267. Miscellaneous Reserves

This account shall include amounts reserved by the utility for purposes which are not provided for in any of the preceding reserve accounts, including amounts reserved for depreciation of non-operating property.

Note: A separate subdivision shall be set up in respect of each such reserve, and the utility may be required to show a complete analysis thereof in its annual reports to the commission.

### DEFERRED CREDITS

#### 271. Unamortized Premium on Debt

This account shall include all credit balances representing the excess of the premium over the discount and expense in connection with the issuance of each class of the utility's long term debt. Separate subdivisions shall be maintained in respect of each issue of obligations. (See § 197.9.)

Note: If in connection with an individual issue of debt the expenses incurred exceed the premium realized, the net debit balance shall be carried in account 141, Unamortized Debt Discount and Expense.

#### 272. Miscellaneous Unadjusted Credits

This account shall include the credit balances in suspense accounts that can not be entirely cleared and disposed of until additional information is received.

Note: Subdivisions shall be maintained for each class of items carried under this account.

### SURPLUS

## 280. Contributions--Operating Municipality

A. The balance in this account shall represent the net contributions, whether in cash, property, or services, made to the municipal electric utility by the operating or lessor municipality or vice versa, from the date when the first expenditures in connection with the municipal electric utility were incurred to the date of the balance sheet. (See also § 197.33.) If the balance is a debit it shall be shown in the short column and below it the balance in account 281, Surplus, and the net figure shall be carried to the liability side of the balance sheet.

B. There shall be credited to this account amounts of cash received from the general fund of the operating or lessor municipality (other than payments for property or services, or repayment of loans) not includible in account 241, Payables to Operating Municipality, for which liability for repayment is not set upon the books of the municipal electric utility; the original cost of property purchased from general funds, of which the municipal electric utility makes sole or major use and the cost (see § 197.33) of any services rendered to the municipal electric utility by the operating or lessor municipality or by any department thereof, less any amounts paid for such services.

C. This account shall be debited with cash payments made by the municipal electric utility to the operating or lessor municipality (other than payments for property or services, loans or repayment of loans); with the fair present value of property transferred from the municipal electric utility to the operating or lessor municipality; and with the cost (see § 197.33) of service rendered to the operating or owning municipality less any amounts received as payment for such services.

D. The balance in this account as of the effective date of this system of account shall be determined and journal entries setting up such balances shall be filed with the commission as provided in section 197.33.

## 281. Surplus

The credit balance, if any, in Surplus shall be shown under this title. (See § 197.33.)

## OPERATING PROPERTY ACCOUNTS

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302. Franchises and Consents

303. Miscellaneous Intangible Property

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312. Structures

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322. Engine Driven Generator Units--Steam

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- 370. Other Property on Consumers' Premises
- 371. Street Lighting and Signal System Equipment
- 381. Office Equipment
- 382. Stores Equipment
- 383. Shop Equipment
- 384. Transportation Equipment
- 385. Communication Equipment
- 386. Laboratory Equipment
- 387. General Tools and Implements
- 388. Miscellaneous General Equipment
- 391. Miscellaneous Tangible Property
- 392. Undistributed Operating Property
- 301. Organization

A. This account shall include expenditures in connection with the organization of the municipal electric utility, including expense of any special election at which the enterprise was approved.

B. Expenditures incidental to such elections relating to proposed extensions of the plant and service shall be included herein only if the extensions are authorized.

#### 302. Franchises and Consents

A. This account shall include amounts actually paid to the State or any political subdivision thereof, except the operating or lessor municipality, or to the Federal government in consideration of franchises, consents or certificates running in perpetuity or for a specified term of more than one year, together with necessary reasonable expenses incident to procuring such franchises, consents, or certificates of permission and approval.

B. If a franchise, consent, or certificate is acquired by assignment, the charge to this account must not exceed the amount actually paid therefor by the utility to the assignor nor the amount actually paid to the grantor thereof (see Public Service Law, § 69) plus the expense of acquisition to the assignee. (See § 197.27.)

C. When any franchises or consents have expired, credits to this account shall be made representing the amounts at which such items (including expenses of acquisition) are carried herein.

Note: This account shall not include periodic or other regularly recurring payments made to any political subdivision for the right to operate within its boundaries.

### 303. Miscellaneous Intangible Property

A. This account shall include the cost (see § 197.21) of patent rights, licenses, privileges, and other intangible property necessary or valuable to the economical conduct of electric operations and not specifically assignable to any other account.

B. The records supporting the entries to this account shall be kept so that the utility can furnish information as to each intangible item of property charged hereto, the principal from whom it was acquired and the agents who represented such principal, and the term of the life of each item.

C. When any item of intangible property expires or is canceled, this account shall be credited with such amounts as may be included in respect thereto.

### 311. Land

A. This account shall include the cost (see § 197.21), including the amount of mortgages or other liens assumed, of land or interest in land used in electric operations, having a life of more than one year. This includes the first cost of acquiring leaseholds of land, easements, water rights, water diversion rights, and rights of way, but not rents payable periodically in consideration of rights so obtained. Water rights include rights of pondage, flowage, or submersion.

B. The cost of buildings and other improvements or of leaseholds of structures or equipment shall not be included in this account. If at the time of acquisition of an interest in land it extends to buildings or other improvements thereon which are used in electric operations, such improvements (except as provided in § 197.27) shall be appraised at their fair cash value for use in such operations. The appraised value shall be excluded from this account and charged to the appropriate subdivisions of account 312, Structures. If the improvements are removed or wrecked without being used in the electric operations, the total cost including the cost of removing or wrecking shall be charged and the salvage value credited to the land account.

C. Net proceeds from the sale of timber, wood, or other property purchased with rights of way or other land shall be credited to this account.

D. Class A and Class B utilities shall subdivide this account as shown below, and all utilities shall keep their records so as to show separately the cost of each parcel of land or interest therein devoted to electric operations. Land used for more than one purpose shall be classified under the subdivision of this account indicative of its principal use.

- (1) Steam Power Plant Land
- (2) Hydro-Electric Power Plant Land
- (3) Internal Combustion Power Plant Land
- (5) Transmission System Land and Rights of Way
- (6) Distribution System Land and Rights of Way
- (7) Office Land
- (8) Shop Land
- (9) Stores Land
- (10) Transportation Land
- (11) Miscellaneous Land

### ITEMS (See § 197.14)

- Clearing land of brush, trees, and debris, when not in connection with any construction
- Condemnation proceedings, including court costs and special counsel fees

Consents and abutting damages, payment for  
Conveyancers' and notaries' fees Easements and rights of way, cost of, and expenses of acquisition  
Fees and commissions to brokers or agents  
Flowage rights  
Forestation or trees, first planting  
Grading, when not a part of construction  
Leases having a life of more than one year, cost of, and expenses incidental to acquiring  
Leases, voiding, to secure possession of land  
Pondage rights  
Relocating property of others  
Rights of way, including costs of locating  
Sidewalks on public streets abutting utility's property  
Special assessments on the basis of benefits for new roads, new bridges, new pavements, new sewers, and other public improvements (but not any taxes levied to provide for maintenance of such improvements)  
Submersion rights  
Surveys  
Taxes assumed, accrued prior to date of transfer of title  
Title, examining, registering, clearing, insuring, and defending against claims relating to period prior to purchase  
Water diversion rights, cost of, and expenses of acquisition  
Water rights, cost of, and expenses of acquisition

Note A: When land is acquired in excess of that required for electric operations, or for which there is not a definite plan for its use in electric operations, the cost of such land shall be charged to account 280, Contributions--Operating Municipality, if it is not intended that it be used for electric operations at any future time; if land is purchased for investment it shall be charged to account 112, Non-operating Property. If land originally charged to account 112, Non-operating Property, or to account 280, Contributions--Operating Municipality, is later used for electric operations, it shall be charged to construction work in progress or Operating Property--Electric (or Operating Property--General if partly used in other operations) at its cost when acquired. Interest and taxes actually paid (less any income received) for the period from the date of acquisition to the date of transfer may be added to the cost, provided that such charges shall not be made for a period exceeding one year except upon order of the commission.

Note B: Assessments for public improvements upon which payments are deferred shall be charged to this account in full and the unpaid balance carried in the appropriate liability account. Interest on unpaid balances shall be charged to the appropriate income deduction account.

### 312. Structures

A. This account shall include the cost in place (see § 197.21) of structures used in electric operations. This includes buildings or constructions to house, support, or safeguard property or persons, with all appurtenant fixtures permanently attached thereto; improvements to land; and other structures or constructions not specifically provided for elsewhere.

B. Class A and Class B utilities shall subdivide this account as shown below, and all utilities shall keep their records so as to show separately the cost of each structure included in this account. Structures used for more than one purpose shall be classified under the subdivision of this account indicative of their principal use.

- (1) Steam Power Plant Structures
- (2) Hydro-Electric Power Plant Structures
- (3) Internal Combustion Power Plant Structures

- (5) Transmission System Structures (including substation buildings)
- (6) Distribution System Structures (including substation buildings)
- (7) Office Structures
- (8) Shop Structures
- (9) Stores Structures
- (10) Transportation Structures
- (11) Miscellaneous Structures

ITEMS (See § 197.14)

- Architects' plans
- Ash pits
- Awnings
- Boilers, furnaces, piping, wiring, fixtures, and machinery for heating, lighting, signaling, ventilating, and plumbing
- Bridges and culverts
- Bulkheads, including dredging, rip-rap fill, piling, decking, concrete, fenders, etc.
- Chimneys
- Clearing land for structures included herein
- Coal bins and bunkers
- Commissions and fees to brokers, agents, architects, and others
- Conduits (not to be removed with their contents)
- Damages to abutting property during construction
- Door checks and door stops
- Drainage and sewerage systems
- Elevators, cranes, hoists, etc., and the machinery for operating them
- Excavation, including shoring, bracing, bridging, refill, and disposal of excess excavated material
- Fences and hedges
- Fire protection systems
- Floor covering (permanently attached)
- Foundations and piers for machinery, constructed as a permanent part of a building or other unit listed herein
- Grading and preparing grounds for buildings, including landscaping of grounds after construction
- Improvements to leased buildings (see § 197.17)
- Leases, voiding, to secure possession of structures
- Monuments and bench marks
- Outside lighting systems
- Painting, first
- Partitions, including movable
- Permits and privileges

Platforms, railings and gratings, when constructed as part of structure  
Power boards for service to a building  
Railroad sidings for general use  
Refrigerating systems  
Retaining walls  
Roads  
Scales, connected to and forming part of the structure  
Screens  
Sidewalks, pavements, and driveways on building grounds  
Sprinkling systems  
Stacks--brick, steel, or concrete, when set on foundations forming part of general foundation and steelwork of building  
Storage facilities constituting part of a building  
Storm doors and windows  
Subways, areaways, and tunnels, directly connected to and forming party\* of the structure  
\* So in original. "party" should be "part"  
Tunnels, intake and discharge, when constructed as part of the structure  
Vaults constructed as part of the building  
Water supply system for a building or general utility purposes  
Wharves  
Window shades and ventilators

Note A: Do not include in this account lighting, heating, or other fixtures temporarily attached for purposes of display or demonstration.

Note B: When part of a structure is removed in order to build an extension thereto, the cost of the part removed shall be credited to this account and charged, with the cost of removal, to account 261, Depreciation Reserves.

Note C: The cost of additions and betterments, including initial improvements, to leased structures shall be charged to a subdivision of the appropriate subdivision of this account. (See § 197.17.)

Note D: The cost of specially provided foundations not expected to outlast the machinery or apparatus for which they are provided, and the cost of angle irons, castings, etc., installed at the base of an item of equipment, shall be charged to the same account as the cost of the machinery, apparatus, or equipment.

### 321. Boiler Plant Equipment

This account shall include the cost installed (see § 197.21) of furnaces, boilers, steam and feed water piping, boiler apparatus, and accessories used in the production of steam (or mercury or other binary vapor) to be used primarily for generating electricity.

#### ITEMS (See § 197.14)

Air cleaning and filtering systems, including equipment and connections devoted to boiler plant use  
Air preheaters, including fans and drives, and ducts not part of building  
Ash disposal equipment, including sluiceways not part of building, pumps and piping, ash pit crane, ash bucket conveyors and drives, ash cars, trestles, and tracks

Boilers, including valves attached thereto, casings, linings, water walls, safety valves, soot blowers, soot hoppers, ash hoppers, superheaters, and feed water regulators

Cinder and duct catcher system, including mechanical and electric types

Coal handling and storage equipment, including coal towers, coal lorries, coal cars, locomotives and tracks when devoted principally to transport of coal, hoppers, down-takes, unloading and hoisting equipment, skip hoists and conveyors, weighing equipment, crushers, magnetic separators, cable ways, housings and supports for coal handling equipment

Combustion Control system, including apparatus installed for the regulation and control of the supply of fuel or air to boilers

Cranes, hoists, etc., wholly identified with apparatus listed herein

Desuperheaters and reducing valves

Draft apparatus, including forced, induced, and other draft systems with blowers, fans, and air ducts not part of building

Economizers

Feed water heaters, including primary and stage

Flues, uptakes, and breeching, whether or not stacks are included in this account

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Furnaces

Lighting systems

Mechanical meters, including gauges, recording instruments, sampling and testing equipment

Mechanical stokers and clinker grinders, including drives (steam or electric)

Oil burning equipment, including tanks, heaters, pumps with drive, burner equipment, and piping

Piping system, including main steam piping to throttle valve of engine or turbine, auxiliary steam piping, piping for main and auxiliary exhaust, make-up water, feed water, drip, blowoff, fresh or salt water piping (for station use), and valve control system

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein

Pulverized fuel bins and hoppers

Pulverized fuel burning equipment, including fuel ignition apparatus and piping

Pulverizing equipment, including pulverizing mills, dryers, downtakes, separators, dust collection system, compressed air or mechanical transport equipment

Pumps and driving units, for feed water, heater condensate, fresh or salt water for general station use, drip, injectors

Stacks--brick, steel, and concrete, when set on separate foundations and independent of substructure and superstructure of building

Steam regenerators

Steelwork, specially constructed for apparatus listed herein

Tanks, including surge, weighing, return, blowoff, and feed water storage

Ventilating equipment, including items wholly identified with apparatus listed herein

Water purification system, including purifiers, settling tanks, filters, chemical mixing and dosing apparatus, etc.

Note A: This account shall not include boilers or steam pipes whose primary purpose is the heating of structures.

Note B: When the system for supplying boiler or condenser water is elaborate, as when it includes a dam, reservoir, canal, or pipe line, the cost shall not be charged to this account but to a subdivision of subdivision (1), Steam Power Plant Structures, of account 312, Structures.

Note C: Holders for gas and large storage tanks for fuel oil, etc., used for steam power production, shall be included in subdivision (1), Steam Power Plant Structures, of account 312, Structures.

### 322. Engine Driven Generator Units--Steam

A. This account shall include the cost installed (see § 197.21) of main engine driven units used in generating electricity from steam (or mercury or other binary vapor), and accessory equipment.

B. When the engine and generator are installed as separate units, this account shall be subdivided as follows:

(1) Prime Movers

(2) Generators

### ITEMS (See § 197.14)

Air cleaning and cooling apparatus, including blowers, drive equipment (steam or electric), air ducts not part of building, louvres, pumps, hoods, fresh or salt water piping to common header

Belting, shafting, pulleys, reduction gearing, etc.

Circulating pumps, including piping between condenser and common header of in-take and discharge system

Condensers, including condensate pumps, air and vacuum pumps, ejectors, unloading valves, and vacuum breakers

Cooling system, including towers, pumps, tanks, and piping

Cranes, hoists, etc., including items wholly identified with apparatus listed herein

Engine driven units--main, including field rheostats and electric connections for self-excited units

Engines--reciprocating or rotary

Excitation system, when identified with main generating units

Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided

Generators--main, including field rheostats and electric connections for self-excited units

Governors

Lighting systemsLubricating systems, including filters, tanks, pumps, and piping

Mechanical meters, including gauges, recording instruments, sampling and testing equipment

Piping--main exhaust, including connections between engine and condenser and between condenser and hot well

Piping--main steam, including connections from main throttle valve to cylinder

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed hereinPressure oil systems, including accumulators, pumps, piping, etc.

Steam receivers, including piping between high and low pressure cylinders

Steelwork, specially constructed for apparatus listed herein

Throttle or inlet valve

Tunnels, intake and discharge, for condenser system, when not a part of structure

### 323. Turbo-Generators--Steam

A. This account shall include the cost installed (see § 197.21) of main turbine driven units used in generating electricity from steam (or mercury or other binary vapor), and accessory equipment.

B. When the turbine and generator are installed as separate units, this account shall be subdivided as follows:

(1) Prime Movers

(2) Generators

ITEMS (See § 197.14)

Air cleaning and cooling apparatus, including blowers, drive equipment (steam or electric), air ducts not part of building, louvres, pumps, hoods, fresh or salt water piping to common header

Condensers, including condensate pumps, air and vacuum pumps, ejectors, unloading valves, and vacuum breakers

Cooling system, including towers, pumps, tanks, and piping

Cranes, hoists, etc., including items wholly identified with apparatus listed herein

Excitation system, when identified with main generating units

Foundations and settings, especially constructed for and not expected to outlast the apparatus for which provided

Governors

Lighting systems

Lubricating systems, including filters, tanks, pumps, and piping sampling and testing equipment

Mechanical meters, including gauges, recording instruments, sampling and testing equipment

Piping--main exhaust, including connections between turbo-generator and condenser and between condenser and hot well

Piping--main steam, including connections from main throttle valve to cylinder

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein Pressure oil systems, including accumulators, pumps, piping, etc.

Steelwork, specially constructed for apparatus listed herein

Throttle or inlet valve

Tunnels, intake and discharge, for condenser system, when not a part of structure

Turbo-generators--main, including field rheostats and electric connections for self-excited units

324. Accessory Electric Equipment--Steam

This account shall include the cost installed (see § 197.21) of accessory electric equipment used primarily in connection with the generation of electricity by steam; and also auxiliary generating equipment for the supply of electricity for auxiliaries and general station use.

ITEMS (See § 197.14)

Auxiliary generators, including boards, compartments, switching equipment, control equipment, connections to auxiliary power bus

Batteries--control, including charging equipment, control equipment and connections

Belting, shafting, pulleys, reduction gearing, etc.

Conduits, including concrete and iron duct runs not part of building

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Frequency changers and motor generators, for system or station ties, including starting equipment, enclosures, tap changing transformers, main high tension connections to compartments, control equipment and connections, air cleaning and cooling equipment, lubricating systems, oil draining and replenishing system.

High tension compartments--brick, concrete, or sectionalized steel, including all items permanently attached

High tension connections, including neutral and grounding system; cable and copper bus runs from generators to compartment potheads; potheads; feeder runs from compartments to station vaults, manholes, or overhead construction adjoining stations

High tension equipment--indoor and outdoor, including oil circuit breakers, truck switches, disconnect switches, reactors, current and potential transformers

Lighting systems

Main and control equipment, including turbine signal stands and connections, and connections for turbo-generator

Mechanical drives for auxiliary generators, including steam or internal combustion, with piping, valves, shafting, etc.

Motor generator sets, frequency changers, including transformers, boards, compartments, switching equipment, control equipment, connections to main or auxiliary buses

Motors

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein

Protective equipment, including lightning arresters, relays, circuit breakers, switches, reactors, etc.

Rotary converters

Steelwork, specially constructed for apparatus listed herein

Switchboards--main, auxiliary, excitation, control, feeder, etc., including frames, panels, instruments, switches, wiring

Test equipment, including apparatus permanently attached

Transformer banks for station ties or generators, including air cleaning and cooling equipment, ventilating system not part of a general system, control equipment and connections, compartments, switching equipment and connections, oil draining and replenishing system

Transformers, including switching equipment, boards, compartments, connections to main and auxiliary buses

Ventilating equipment, including items wholly identified with apparatus listed herein

Note: When any unit of equipment listed herein is wholly used to furnish power to equipment included in another account, its cost shall be included in such account.

### 325. Miscellaneous Power Plant Equipment--Steam

This account shall include the cost installed (see § 197.21) of miscellaneous equipment devoted to general station use in steam power generating stations, which is not includible in the foregoing accounts.

#### ITEMS (See § 197.14)

Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, piping, etc.

Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, hoist, etc., with electric and mechanical connections

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Miscellaneous equipment, including sampling and testing equipment, signal systems, callophones, emergency whistles and sirens, telautographs, fire alarms, atmospheric and weather indicating devices, and other similar equipment

Refrigerating system, including compressors, pumps, cooling coils, etc.

Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, grinders, etc., with motors, shafting, hangers, pulleys, etc. Transportation equipment, used exclusively for power plant purposes

Ventilating equipment, including items wholly identified with apparatus listed herein

Note A: When any unit of equipment listed herein is wholly used in connection with equipment included in another account, its cost shall be included in such account.

Note B: Office equipment such as desks, chairs, typewriters, calculating machines, etc., shall be included in account 381, Office Equipment.

### 331. Reservoirs, Dams, and Waterways

A. This account shall include the cost in place (§ 197.21) of permanent constructions used for the impounding, collecting, storing, regulating, and delivery of water to the water wheels and from the draft tubes to the tailraces, primarily for generating electricity.

B. Class A and Class B utilities shall subdivide this account as follows:

- (1) Reservoirs, Dams, and Intakes
- (2) Navigation Facilities
- (3) Waterways
- (4) Forebays, Penstocks, and Tailraces

### ITEMS (See § 197.14)

Bridges and culverts

Clearing and preparing land

Dams, including wasteways, spillways, flashboards, spillway gates with operating and control mechanisms, tunnels, gate houses, and fish ladders

Embankments

Excavation, including shoring, bracing, bridging, refill, and disposal of excess excavated material

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Intakes, including trash rack, rack cleaners, control gates and valves with operating mechanisms, intake house when not part of station structure

Lighting systems

Platforms, railings, steps, gratings, etc., appurtenant to structures and equipment listed herein

Power lines wholly identified with items included herein

Raising and relocating public roads and bridges

Retaining walls

Water conductors and accessories, including canals, navigation locks and operating mechanisms, tunnels, flumes, penstocks, pipe conductors, forebays, tailraces, water-hammer and surge tanks, and supporting trestles and structures

Water storage reservoirs, including dams, flashboards, spillway gates and operating mechanism, inlet and outlet tunnels, regulating valves and valve towers, silt and mud sluicing tunnels with valve or gate towers, and all other structures wholly identified with any of the foregoing items

Note A: Nozzles and valves at water wheels shall be charged to account 333, Water Wheels, Turbines, and Generators.

Note B: When the structure of a dam forms also the foundation of the power plant buildings, such foundation shall be considered a part of the dam.

### 332. Roads, Trails, and Bridges

This account shall include the cost (see § 197.21) of permanent roads, trails, bridges, and railroads, which are not immediately adjacent to the generating plant proper, used primarily in connection with the production of electricity by water power.

ITEMS (See § 197.14)

Bridges, including foundations, piers, girders, trusses, flooring, etc.

Clearing land

Railroads, including grading, ballast, ties, rails, culverts, hoists, etc.

Roads, including grading, surfacing, culverts, etc.

Structures, constructed and maintained in connection with items listed herein

Trails, including grading, surfacing, culverts, etc.

Trestles, including foundations, piers, girders, trusses, flooring, etc.

Note: This account shall include the cost of only such private roads, trails, railroads, bridges, etc., as it is necessary to maintain and use in the operation and maintenance of the hydraulic power plant. The cost of those used for construction but abandoned upon completion thereof shall be included in the accounts to which such construction was charged.

333. Water Wheels, Turbines, and Generators

A. This account shall include the cost installed (see § 197.21) of main water wheels and hydraulic turbines (from connection with penstock or flume to tailrace) and generators driven thereby used in generating electricity by water power.

B. When the generator and prime mover are installed as separate units, this account shall be subdivided as follows:

(1) Prime Movers

(2) Generators

ITEMS (See § 197.14)

Air cleaning and cooling apparatus, including blowers, drive equipment, air ducts not part of building, louvres, pumps, hoods, fresh water piping to common header

Belting, shafting, pulleys, reduction gearing, etc.

Cranes, hoists, etc., including items wholly identified with apparatus listed herein

Excitation system, when identified with main generating units

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Generators--main, including field rheostats and electric connections for self-excited units

Governors

Lighting systems

Lubricating Systems

Mechanical meters, including gauges, recording instruments, water flow meters, water flow registers, etc.

Nozzles--main and auxiliary

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein

Pressure regulators

Relief valves

Steelwork, specially constructed for apparatus listed herein

Turbines and water wheels--main

Turbo-generator and water wheel units--main, including field rheostats and electric connections for self-excited units

### 334. Accessory Electric Equipment--Hydro

This account shall include the cost installed (see § 197.21) of accessory electric equipment used primarily in connection with the generation of electricity by water power; and also auxiliary generating equipment for the supply of electricity for auxiliaries and general station use.

#### ITEMS (See § 197.14)

Auxiliary generators, including boards, compartments, switching equipment, control equipment, connections to auxiliary power bus

Batteries--control, including charging equipment, control equipment and connections

Belting, shafting, pulleys, reduction gearing, etc.

Conduits, including concrete and iron duct runs not part of building

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Frequency changers and motor generators, for system or station ties, including starting equipment, enclosures, tap changing transformers, main high tension connections to compartments, control equipment and connections, air cleaning and cooling equipment, lubricating systems, oil draining and replenishing system

High tension compartments--brick, concrete, or sectionalized steel, including all items permanently attached

High tension connections, including neutral and grounding system; cable and copper bus runs from generators to compartment potheads; potheads; feeder runs from compartments to station vaults, manholes, or overhead construction adjoining stations

High tension equipment--indoor and outdoor, including oil circuit breakers, truck switches, disconnect switches, reactors, current and potential transformers

Lighting systems

Main and control equipment, including turbine signal stands and connections for turbo-generator

Mechanical drives for auxiliary generators, including steam or internal combustion, with piping, valves, shafting, etc.

Motor generator sets, frequency changers, including transformers, boards, compartments, switching equipment, control equipment, connections to main or auxiliary buses

Motors

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein

Protective equipment, including lightning arresters, relays, circuit breakers, switches, reactors, etc.

Rotary converters

Steelwork, specially constructed for apparatus listed herein

Switchboards--main, auxiliary, excitation, control, feeder, etc., including frames, panels, instruments, switches, wiring

Test equipment, including apparatus permanently attached

Transformer banks for station ties or generators, including air cleaning and cooling equipment, ventilating system not part of a general system, control equipment and connections, compartments, switching equipment and connections, oil draining and replenishing system

Transformers, including switching equipment, boards, compartments, connections to main and auxiliary buses

Ventilating equipment, including items wholly identified with apparatus listed herein

Note: When any unit of equipment listed herein is wholly used to furnish power to equipment included in another account, its cost shall be included in such account.

### 335. Miscellaneous Power Plant Equipment-Hydro

This account shall include the cost installed (see § 197.21) of miscellaneous equipment devoted to general station use in water power plants which is not includible in the foregoing accounts.

#### ITEMS(See §197.14)

Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, piping, etc.

Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, hoists, etc., with electric and mechanical connections

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Miscellaneous equipment, including sampling and testing equipment, signal systems, callophones, emergency whistles and sirens, telautographs, fire alarms, atmospheric and weather indicating devices, and other similar equipment

Refrigerating system, including compressors, pumps, cooling coils, etc.

Station maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, grinders, etc., with motors, shafting, hangers, pulleys, etc. Transportation equipment used exclusively for power plant purposes

Ventilating equipment, including items wholly identified with apparatus listed herein

Note A: When any unit of equipment listed herein is wholly used in connection with equipment included in another account, its cost shall be included in such account.

Note B: Office equipment such as desks, chairs, typewriters, calculating machines, etc., shall be included in account 381, Office Equipment.

### 342. Engine Driven Generator Units--Internal Combustion

A. This account shall include the cost installed (see § 197.21) of Diesel or other internal combustion engines and generators driven thereby used in generating electricity.

B. When the prime mover and generator are installed as separate units, this account shall be subdivided as follows:

(1) Prime Movers

(2) Generators

#### ITEMS(See §197.14)

Air cleaning and cooling apparatus, including blowers, drive equipment, air ducts not part of building, louvres, pumps, hoods, fresh or salt water piping to common header

Belting, shafting, pulleys, reduction gearing, etc.

Compressed air or other starting systems, including compressors and drives, tanks, piping, motors, boards and connections, storage tanks, etc.

Cooling system, including towers, pumps, tanks, and piping

Cranes, hoists, etc., including items wholly identified with apparatus listed herein

Engine driven units-main, diesel, gasoline, gas, or other internal combustion, including field rheostats and electric connections for self-excited units

Engines-diesel, gasoline, gas, or other internal combustion

Excitation system, when identified with main generating units

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Generators--main, including field rheostats and electric connections for self-excited units

Governors

Ignition system

Inlet valve

Lighting systems

Lubricating systems, including filters, tanks, pumps, and piping

Mechanical meters, including gauges, recording instruments, sampling and testing equipment

Mufflers

Piping

Platforms, railings, steps, gratings etc., appurtenant to apparatus listed herein

Steelwork, specially constructed for apparatus listed herein

344. Accessory Electric Equipment--Internal Combustion

This account shall include the cost installed (see § 197.21) of accessory electric equipment used primarily in connection with the generation of electricity by Diesel or other internal combustion engines, and also for the supply of electricity for auxiliaries and general station use.

ITEMS (See § 197.14)

Auxiliary generators, including boards, compartments, switching equipment, control equipment, connections to auxiliary power bus

Batteries--control, including charging equipment, control equipment and connections

Belting, shafting, pulleys, reduction gearing, etc.

Conduits, including concrete and iron duct runs not part of building

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Frequency changers and motor generators, for system or station ties, including starting equipment, enclosures, tap changing transformers, main high tension connections to compartments, control equipment and connections, air cleaning and cooling equipment, lubricating systems, oil draining and replenishing system High tension compartments--brick, concrete, or sectionalized steel, including all items permanently attached High tension connections, including neutral and grounding system; cable and copper bus runs from generators to compartment potheads; potheads; feeder runs from compartments to station vaults, manholes, or overhead construction adjoining stations

High tension equipment--indoor and outdoor, including oil circuit breakers, truck switches, disconnect switches, reactors, current and potential transformers

Lighting systems

Main and control equipment, including signal stands and connections for generators Mechanical drive for auxiliary generators, including steam or internal combustion, with piping, valves, shafting, etc.

Motor generator sets, frequency changers, including transformers, boards, compartments, switching equipment, control equipment, connections to main or auxiliary buses

Motors

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein

Protective equipment, including lightning arresters, relays, circuit breakers, switches, reactors, etc.

Rotary converters

Steelwork, specially constructed for apparatus listed herein

Switchboards--main, auxiliary, excitation, control, feeder, etc., including frames, panels, instruments, switches, wiring

Test equipment, including apparatus permanently attached

Transformer banks for station ties or generators, including air cleaning and cooling equipment, ventilating system not part of a general system, control equipment and connections, compartments, switching equipment and connections, oil draining and replenishing system

Transformers, including switching equipment, boards, compartments, connections to main and auxiliary buses

Ventilating equipment, including items wholly identified with apparatus listed herein

Note: When any unit of equipment listed herein is wholly used to furnish power to equipment included in another account, its cost shall be included in such account.

#### 345. Miscellaneous Power Plant Equipment--Internal combustion

A. This account shall include the cost installed (see § 197.21) of miscellaneous equipment devoted to general station use in internal combustion power plants which is not includible in the foregoing accounts.

B. This account shall also include the cost of equipment used in the production of oil or gas for use in internal combustion engines.

#### ITEMS (See § 197.14)

Compressed air and vacuum cleaning systems, including tanks, compressors, exhausters, air filters, piping, etc.

Cranes and hoisting equipment, including cranes, cars, crane rails, monorails, hoists, etc., with electric and mechanical connections

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Gas production equipment, including wells, producers, economizers, regenerators, vaporizers, steam injectors, scrubbers, exhauster outfits, seals, boilers and pumps, flues and piping, blower engines, ash disposal equipment, coal and coke storage and handling equipment, etc.

Miscellaneous equipment, including sampling and testing equipment, signal systems, callophones, emergency whistles and sirens, telautographs, fire alarms, atmospheric and weather indicating devices, and other similar equipment

Oil production equipment

Refrigerating system, including compressors, pumps, cooling coils, etc.

Station Maintenance equipment, including lathes, shapers, planers, drill presses, hydraulic presses, grinders, etc., with motors, shafting, hangers, pulleys, etc.

Storage tanks, pumps and drive, piping, heaters, etc.

Supply and exhaust equipment, including tanks and holders, exhausters, piping to inlet of engine, exhaust pipe from engine

Ventilating equipment, including items wholly identified with apparatus listed herein

Note A: When any unit of equipment included within the scope of paragraph A hereof is wholly used in connection with equipment included in another account, its cost shall be included in such account.

Note B: Office equipment such as desks, chairs, typewriters, calculating machines, etc., shall be included in account 381, Office Equipment.

Note C: Holders for gas and large storage tanks for oil, gasoline, etc., shall be included in subdivision (3), internal Combustion Power Plant Structures, of account 312, Structures.

#### 351. Transmission Roads and Trails

This account shall include the cost (see § 197.21) of permanent roads, trails, and bridges used primarily in connection with the operation or maintenance of the transmission system whether located on the transmission line right of way or elsewhere

ITEMS (See § 197.14)

Bridges, including foundations, piers, girders, trusses, flooring, etc.

Clearing land

Railroads, including grading, ballast, ties, rails, culverts, hoists, etc.

Roads, including grading, surfacing, culverts, etc.

Structures, constructed and maintained in connection with items listed herein

Trails, including grading, surfacing, culverts, etc.

Trestles, including foundations, piers, girders, trusses, flooring, etc.

Note: This account shall include the cost of only such private roads, trails, bridges, etc., as it is necessary to maintain and use in the operation and maintenance of the transmission system. The cost of those used for construction but abandoned upon completion thereof, shall be included in the accounts to which such construction was charged.

352. Transmission Substation Equipment

This account shall include the cost installed (see § 197.21) of substation equipment and transformers which are used for the purpose of changing the characteristics of electricity in connection with its transmission and which both receive and send out the electricity on transmission lines. (See § 197.35.)

ITEMS (See § 197.14) Batteries--control, including charging equipment and connections

Bus compartments--concrete, brick, and sectionalized steel, including items permanently attached thereto

Conduits, including concrete and iron duct runs not part of building

Equipment for general station use, including transformers, batteries, motor generators, blowers, etc., and connections

Fences

Fixed or rotary condensers, including transformers, switching equipment, blowers, and connections

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Frequency changers and motor generators, including switching equipment, transformers, and connections

Lighting systems

Meters, station

Motors

Operators' boards, including instruments, boards, and connections

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein

Primary and secondary voltage connections, including bus runs and supports, insulators, potheads, lighting arresters, grounding system, cable and wire runs from and to outdoor connections or to manhole

Rectifiers

Regulators and reactors

Remote control equipment, including relays, boards, cabinets, and connections

Remote control wire and cable controlling equipment included in this account, and poles, towers, and fixtures or conduits used exclusively for such wire or cable

Steelwork, specially constructed for apparatus listed herein

Switching equipment--indoor and outdoor, including oil circuit breakers, truck switches, disconnect switches, syphon system

Test equipment, including apparatus permanently attached

Transformers--indoor and outdoor, including connections to high and low voltage switching equipment, oil draining and replenishing system

Ventilating equipment, including items wholly identified with apparatus listed herein

Note: This account shall not include any equipment located in generating stations or substations, or any transformers, which receive electricity from transmission lines or generating stations, and send out electricity on distribution lines.

### 353. Transmission Overhead Conductors

This account shall include the cost installed (see § 197.21) of overhead conductors and line devices used on transmission lines. (See § 197.35.)

#### ITEMS (See § 197.14)

Conductors, including insulated and bare wires and cables

Insulators, including pin, suspension, and other types

Line devices, including ground wires, disconnect or sectionalizing switches, lighting arresters, circuit breakers, etc.

Railroad crossing guards

Splices

Note A: This account shall not include switches or lightning arresters installed in generating stations or substations for the protection of equipment therein.

Note B: This account shall not include pothead, or conductors in standpipe attached to pole or tower from insulators on pole to underground manholes and terminal chambers.

### 354. Transmission Underground Conductors

This account shall include the cost installed (see § 197.21) of underground conductors and line devices used on transmission lines. (See § 197.35.)

#### ITEMS (See § 197.14)

Armored conductors--buried, including insulators, insulating materials, splices, potheads, trenching, etc.

Armored conductors--submarine, including insulators, insulating materials, splices in terminal chamber, potheads, etc.

Cables in standpipe, including pothead and connection from terminal chamber or manhole to insulators on pole

Fireproofing, in connection with any items listed herein

Hollow core oil filled cable, including straight or stop joints, pressure tanks, auxiliary air tanks, feeding tanks, terminals, potheads and connections, ventilating equipment, etc.

Lead and fabric covered conductors, including insulators, compound filled, oil filled, or vacuum splices, potheads, etc.

Line devices, including manual and automatic, disconnect or sectionalizing switches, circuit breakers, relays, etc.

Municipal inspection, payment for (See also § 197.33.)

Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks (See also § 197.33.)

Permits (See also § 197.33.)

Protection of street openings

Racking of cables

Note A: This account shall not include switches or lightning arresters installed in generating stations or substations for the protection of equipment therein.

#### 358. Poles, Towers, and Fixtures

A. This account shall include the cost installed (see § 197.21) of poles and other structures and appurtenant fixtures used for supporting overhead conductors.

B. This account shall be subdivided as follows:

- (1) Poles (or towers) supporting transmission conductors only
- (2) Poles (or towers) which do not support transmission conductors

#### ITEMS (See § 197.14)

Towers, including anchors and guys; braces; brackets; crossarms; excavation, back-fill, and disposal of excess excavated material; grounds for tower structures; foundations; guards; railings, etc.; insulator pins and suspension bolts; ladders; steps

Wood, tubular steel, and concrete poles, including anchor; head, arm, and other guys (including guy guards, strain insulators, guy clamps, pole plates, etc.); brackets; crossarms and braces; excavation, backfill, and disposal of excess excavated material; extension arms, insulator pins; paving; pole steps; settings; transformer platforms; first cost of shaving, painting, gaining, roofing, stenciling, and tagging

Note A: The subdivisions indicated above relate to the accounting utility's use only, and such use shall control the accounting for its property irrespective of any use made of the same property by others either under joint ownership or lease.

Note B: The utility shall maintain a statistical record to show separately for each pole or tower the number and size of the conductors used for (a) transmission, (b) distribution, (c) street lighting, (d) signal systems, and (e) other purposes. This record shall also show the percentage of ownership.

#### 359. Underground Conduits

A. This account shall include the cost installed (see § 197.21) of underground conduits and tunnels used for housing cables and wires.

B. This account shall be subdivided as follows:

- (1) Conduit banks used for transmission conductors only
- (2) Conduit banks used for distribution conductors only
- (3) Conduit banks used for street lighting and/or signal system conductors only
- (4) Conduit banks used for two or more of the above classes of conductors
- (5) Conduit banks unoccupied and/or rented to others

#### ITEMS (See § 197.14)

Conduits--concrete, brick, and tile, including iron pipe, fibre pipe, Murray Duct, standpipe on pole or tower

Excavation, including shoring, bracing, bridging, backfill, and disposal of excess excavated material

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Lighting systems

Manholes--concrete or brick, including iron or steel frames and covers, hatchways, gratings, ladders, cable racks and hangers, etc., permanently attached to manholes

Municipal inspection (See also § 197.33.)

Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks (See also § 197.33.)

Permits (See also § 197.33.)

Protection of street openings

Removal and relocation of subsurface obstructions (See also § 197.33.)

Sewer connections, including drains, traps, tide valves, check valves, etc. Structures, housing underground line transformers and accessories

Sumps, including pumps

Transformer vaults

Ventilating equipment

Note A: The subdivisions indicated above relate to the accounting utility's use only, and such use shall control the accounting for its property irrespective of any use made of the same property by others either under joint ownership or lease.

Note B: The utility shall maintain a statistical record to show separately for each bank of conduit included in class (4) the number of ducts used by it for each purpose listed above, the number used for other purposes, and the number vacant.

Note C: Do not include in this account underground conduits on power plant or substation sites used primarily for cables included in account 324, 334, 344, or 352.

#### 361. Distribution Substation Equipment

This account shall include the cost installed (see § 197.21) of substation equipment which is used for the purpose of changing the characteristics of electricity in connection with its distribution (see § 197.35), and transformers other than line transformers.

ITEMS (See § 197.14) Batteries--control, including charging equipment and connections

Bus compartment--concrete, brick, and sectionalized steel, including items permanently attached thereto

Conduits, including concrete and iron duct runs not part of building.

Equipment for general station use, including transformers, batteries, motor generators, blowers, etc., and connections

Fences

Fixed or rotary condensers, including transformers, switching equipment, blowers, and connections

Foundations and settings, specially constructed for and not expected to outlast the apparatus for which provided

Frequency changers and motor generators, including switching equipment, transformers, and connections

Lighting systems

Motors

Operators' boards, including instruments, boards, and connections

Platforms, railings, steps, gratings, etc., appurtenant to apparatus listed herein

Primary and secondary voltage connections, including bus runs and supports, insulators, potheads, lightning arresters, grounding system, cable and wire runs from and to outdoor connections or to manhole

Rectifiers

Regulators and reactors

Remote control equipment, including relays, boards, cabinets, and connections

Remote control wire and cable controlling equipment included in this account, and poles, towers, and fixtures or conduits used exclusively for such wire or cable

Rotary converters, including switching equipment, transformers, starting equipment, and connections

Steelwork, specially constructed for items listed herein

Switching equipment--indoor and outdoor, including oil circuit breakers, truck switches, disconnect switches, syphon system

Test equipment, including apparatus permanently attached

Transformers--indoor and outdoor, including connections to high and low voltage switching equipment, oil draining and replenishing system

Ventilating equipment, including items wholly identified with apparatus listed herein

Note A: This account shall not include line transformers installed for stepping down current from primary distribution voltage to the voltage at which it is used by the consumers.

Note B: This account shall include the cost of one or more transformers which the utility has installed at the point where current is taken from its transmission or distribution line by a large power consumer, when such transformers are used to step down the current from the voltage at which it is carried on the utility's line to the voltage at which it is delivered to such consumer to be transformed or converted within the consumers' own plant.

### 362. Storage Battery Equipment

This account shall include the cost installed (see § 197.21) of storage battery equipment used for the purpose of supplying electricity to meet emergency or peak demands of consumers.

#### ITEMS (See § 197.14)

Batteries, including elements, tanks, tank insulators, etc.

Battery room connections, including cable or bus runs and connections

Battery room flooring, when specially laid for supporting batteries

Charging equipment, including motor generator sets and other charging equipment and connections, cable runs from generator or substation bus to battery room connections

Miscellaneous equipment, including instruments, water stills, etc.

Switching, equipment, including end cell switches and connections, boards and panels, used exclusively for battery control, not part of general station switchboard

Ventilating equipment, including fans and motors, louvres, ducts not part of building

Note: Storage batteries used for control and general station purposes shall not be included in this account but in the account appropriate for their use.

### 363. Distribution Overhead Conductors

A. This account shall include the cost installed (see § 197.21) of overhead conductors and line devices used on distribution lines. (See § 197.35.)

B. This account shall be subdivided by utilities in Classes A, B, and C as follows:

(1) Primary Alternating Current

(2) Secondary Alternating Current

(3) Direct Current

#### ITEMS (See § 197.14)

Conductors, including insulated and bare wire and cables

Insulators, including pin, suspension, and other types

Line devices, including ground wires, sectionalizing switches, circuit breakers, line cut-outs, fuse boxes, lightning arresters, etc.

Splices

Note A: Primary lines comprise cables, wires, and accessory line devices from the substation or other point of origin of the distribution line to the line transformer or network transformer or to the service connections of high tension consumers "secondary" lines comprise cables, wires, and accessory line devices from the line transformer or network transformer to the service connection leading to premises of consumers.

Note B: The cost of conductors used solely for street lighting or signal systems shall not be included in this account.

Note C: This account shall not include pothead, or conductors in standpipe attached to pole or tower from insulators on pole to underground manholes and terminal chambers.

Note D: The cost of protective devices, except network protectors, on distribution lines may be included wholly in either account 363, Distribution Overhead Conductors, 364, Distribution Underground Conductors, as appropriate, or wholly in account 365, Line Transformers; provided that each utility shall notify the commission of the accounting practice adopted, which shall be consistently followed for all such equipment.

364. Distribution Underground Conductors

A. This account shall include the cost installed (see § 197.21) of underground conductors and line devices used on distribution lines. (See § 197.35.)

B. This account shall be subdivided by utilities in Classes A, B, and C as follows:

- (1) Primary Alternating Current
- (2) Secondary Alternating Current
- (3) Direct Current Feeders and Mains
- (4) Edison tube

ITEMS (See § 197.14)

Armored conductors--buried, including insulators, insulating materials, splices, pot-heads, trenching, etc.

Armored conductors--submarine, including insulators, insulating materials, splices in terminal chamber, potheads, etc.

Cables in standpipe, including pothead and connection from terminal chamber or manhole to insulators on pole

Edison junction boxes, including compound, splicing materials, trenching, etc.

Edison tube, including coupling boxes and bells, compound, splicing materials, trenching, etc.

Fireproofing in connection with any items listed herein

Lead and fabric covered conductors, including insulators, splices, potheads, etc.

Line devices, including manual and automatic, disconnect or sectionalizing switches, circuit breakers, relays, etc.

Manhole type junction boxes

Municipal inspection (See also § 197.33.)

Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks (See also § 197.33.)

Permits (See also § 197.33.)

Protection of street openings

Racking of cables

Note A: Primary lines comprise cables, wires, and accessory line devices from the substation or other point of origin of the distribution line to the line transformer or network transformer or to the service connections of high tension consumers. Secondary lines comprise cables, wires, and accessory line devices from the line transformer or network transformer to the service connection leading to premises of consumers.

Note B: The cost of conductors used solely for street lighting or signal systems shall not be included in this account.

Note C: The cost of protective devices, except network protectors, on distribution lines may be included wholly in either account 363, Distribution Overhead Conductors, 364, Distribution Underground Conductors, as appropriate, or wholly in account 365, Line Transformers; provided that each utility shall notify the commission of the accounting practice adopted, which shall be consistently followed for all such equipment.

### 365. Line Transformers

A. This account shall include the cost of overhead and underground distribution line transformers, pole-type and underground voltage regulators and network protectors owned by the utility, for use in transforming electric energy to secondary voltages (i.e., voltages, usually 660 volts or less, at which the energy is ordinarily supplied to low tension consumers), whether actually in service or held in reserve, also the cost of auto, phase changing, and sign lighting transformers for use in connection with service connections to consumers' premises. This account shall include the cost of labor employed, materials used and expenses incurred in connection with the first installation of line transformers, voltage regulators, etc., the cost of which is included in this account.

B. This account shall be subdivided to show separately according to location:

(1) Overhead

(2) Underground

C. When a line transformer or other retirement unit is permanently retired from service, the cost thereof and the cost of its installation included herein shall be credited to this account.

D. The records covering line transformers shall be so kept that the utility can furnish the number of transformers of various capacities in service and those in reserve, and the location and the use of each transformer.

E. In respect to installation costs, this account may be divided into two subaccounts: subdivision 1 to include the labor, transportation and other components of costs (see § 197.21) applicable thereto involved in placing the transformers, network protectors, or voltage regulators included herein; subdivision 2 to include the cost installed of associated items of equipment includible in this account such as lightning arresters, cut outs, grounds, wiring and other permanent attachments. When this is done, the entire amount included in subdivision 2 at a location shall be considered one or more retirement units to be retired only when a complete retirement unit is removed or the location abandoned.  
ITEMS (See § 197.14)

Capacitors

Ground connections

Installation, labor of (first installation only)

Network protectors

Transformer cut-out boxes, installed (first set)

Transformer lightning arresters, installed (first set)

Transformers, line and network

Voltage regulators

Note A: The cost of line transformers may be excluded from this account and carried in account 123, Materials and Supplies, until their initial installation.

Note B: The cost of transformers used solely for street lighting or signal systems shall not be included in this account.

Note C: The cost of protective devices, except network protectors, on distribution lines may be included wholly in either account 363, Distribution Overhead Conductors, 364, Distribution Underground Conductors, as appropriate, or wholly in this account; provided that each utility shall notify the commission of the accounting practice adopted, which shall be consistently followed for all such equipment.

Note D: Minor items shall be included in this account only when in service or associated with a unit of property held in reserve; otherwise they shall be carried in account 123, Materials and Supplies.

#### 366. Overhead Services

A. This account shall include the cost installed (see § 197.21) of overhead conductors leading from the last pole of the transmission or distribution line to the point of connection with the consumer's wiring, when the utility incurs such cost or when the utility assumes full responsibility for maintenance and replacement of property paid for by the consumer.

#### ITEMS (See § 197.14)

Brackets

Cables and wires

Insulators

Poles and attachments, located on consumer's premises and used solely for service to such consumer

Service switch

Suspension wire

Note A: When a consumer pays all or part of the cost of the service and such cost is properly includible in this account, the amount borne or contributed by the consumer shall be credited to account 263, Contributions for Extensions.

Note B: The utility shall maintain statistical records showing separately the number of alternating and the number of direct current services, subdivided between high tension and low tension, and the total circuit feet in each class, and further classified to show:

(a) Services whereto meters are connected.

(b) Services whereto no meters are connected.

#### 367. Underground Services

A. This account shall include the cost installed (see § 197.21) of underground conductors leading from a point where wires leave the distribution box or manhole, or the last pole of the transmission or distribution line, to the point of connection with the consumer's wiring, when the utility incurs such cost or when the utility assumes full responsibility for maintenance and replacement of property paid for by the consumer.

#### ITEMS (See § 197.14)

Cables and wires

Conduit

Overhead to underground, including conduit or standpipe, and conductor from last splice on pole to connection with consumer's wiring

Municipal inspection (See also § 197.33.)

Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks (See also § 197.33.)

Permits (See also § 197.33.)

Protection of street openings

Service switch

Note A: When a consumer pays all or part of the cost of the service and such cost is properly includible in this account, the amount borne or contributed by the consumer shall be credited to account 263, Contributions for Extensions.

Note B: The utility shall maintain statistical records showing separately the number of alternating and the number of direct current services, subdivided between high tension and low tension, and the total circuit feet in each class, and further classified to show:

- (a) Services whereto meters are connected.
- (b) Services whereto no meters are connected.

#### 368. Consumers' Meters

This account shall include the cost (see § 197.21) of meters or devices and appurtenances thereto owned by the utility for use in measuring the electricity delivered to individual consumers.

#### ITEMS (See § 197.14)

- Alternating current wathour meters
- Current limiting devices
- Demand indicators
- Demand meters
- Direct current wathour meters
- Graphic demand meters
- Instrument transformers
- Maximum demand meters
- Meter badges and their attachments
- Meter boards
- Meter fittings, connections, and shelves (first set)
- Meter switches and cut-outs
- Prepayment meters
- Protective devices
- Testing new meters

Note A: The cost of setting, removing, or resetting consumers' meters shall not be charged to this account. (See account 369, Consumers' Meter installation, and account 741.52, Removing and Resetting Meters.)

Note B: The utility shall maintain a statistical record to show separately for each type and capacity of meter the number of utility-owned meters installed on consumers' premises (subdivided between active and cut out), and the cost thereof; the number of utility-owned meters carried herein but not installed on consumers' premises, including meters undergoing repairs, and the cost thereof; and the number of meters owned by consumers. (See also account 263, Contributions for Extensions.)

Note C: The cost of consumers' meters may be excluded from this account and carried in account 123, Materials and Supplies, until their initial installation.

#### 369. Consumers' Meter Installation

A. This account shall include the cost (§ 197.21) to the utility of the first setting of meters or devices and appurtenances thereto used in measuring electricity delivered to individual consumers, the book cost of which is included in account 368, Consumers' Meters; also the cost to the utility of installations of meters owned by consumers. (See also account 263, Contributions for Extensions.)

B. When any metered service is discontinued and the meter removed and not immediately replaced (except in the case of seasonal consumers), this account shall be credited with an amount representing the actual or the average meter installation cost, if such installation cost is included herein.

Note A: The cost of removing consumers' meters and of setting meters substituted for them shall not be charged to this account but to account 741.52, Removing and Resetting Meters.

Note B: The utility shall maintain statistical records to show for meters in service separately for utility-owned meters and meters owned by consumer (1), the number of installations the cost of which is included herein, and (2), the number of meter installations which prior to the effective date of this system of accounts were charged to operating expenses.

Note C: Charges made to consumers for connection, disconnection, or reconnection of meters shall be credited to account 622, Miscellaneous Electric Revenues.

#### 370. Other Property on Consumers' Premises

This account shall include the cost (see § 197.21), including first setting and connecting, of equipment owned by the utility installed on consumers' premises which is not elsewhere provided for. (See also account 371, Street Lighting and Signal System Equipment.)

#### ITEMS (See § 197.14)

Appliances leased to consumers

Arc lights

Cable vaults

Foundations and settings, specially provided for equipment installed

Frequency changer sets

Lamps (bulbs) leased to consumers or supplied under tariff rates, first installation

Motor generator sets

Motors

Switchboard panels, high or low tension

Wire and cable connections to incoming cables

#### 371. Street Lighting and Signal System Equipment

A. This account shall include the cost installed (see § 197.21) to the utility of property used wholly for street lighting and/or traffic, fire alarm, police, and other signal systems if the utility pays for repairs and replacements thereof. If repairs and replacements are made by the operating municipality, the costs of such equipment shall not be included herein.

B. This account shall be subdivided as follows:

(1) Overhead Systems

(2) Underground Systems

#### ITEMS (See § 197.14)

Armored conductors--buried or submarine, including insulators, insulating materials, splices, trenching, etc.

Automatic control equipment

Conductors--overhead or underground, including lead or fabric covered, parking cables, etc., including splices, insulators, etc.

Lamps--arc, incandescent, or other types, including glassware, suspension fixtures, brackets, etc.

Municipal inspection (See also § 197.33.)

Ornamental lamp posts

Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks (See also § 197.33.)

Permits (See also § 197.33.)

Posts and standards

Protection of street openings

Relays or time clocks

Series contactors

Switches

Transformers, pole or underground

Note A: When readily accessible, cost of private street lighting equipment shall be carried in a separate subdivision of this account.

Note C: Utilities may subdivide this account to show the cost of street lighting equipment separately from signal system equipment.

#### 381. Office Equipment

A. This account shall include the cost installed (see § 197.21) of utility-owned furniture and office equipment whether used in offices or elsewhere when such equipment is not an integral part of the housing structure.

B. If the utility has equipment included in this account at more than one location, separate records shall be maintained for each location.

#### ITEMS (See § 197.14)

Addressing machines	Filing cabinets
Benches	Fire extinguisher equipment
Billing machines	Heaters and lamps (movable)
Book cases	Kitchen equipment
Card punching and sorting machines	Lighting fixtures (movable)
Carpets	Linoleum
Cash registers	Lockers
Chairs and stools	Pneumatic tube system
Checkwriters	Pulmotors
Chronograph systems	Rugs
Clocks	Safes (movable)
Computing machines	Tables
Counters	Teletypewriters
Desks	Time clocks
Equipment in drafting, rest, dining, recreation, and medical rooms	Typewriters
Fans	Vacuum cleaners
	Water coolers

Note A: Small articles of slight value or of short life shall not be charged to this account but to the appropriate expense account.

### 382. Stores Equipment

A. This account shall include the cost installed (see § 197.21) of utility-owned equipment used in storehouses when such equipment is not an integral part of the housing structure.

B. If the utility has storehouses at more than one location, separate records shall be maintained for each location.

#### ITEMS (See § 197.14)

Chain falls	Scales
Counters	Shelving
Cranes (portable)	Storage bins
Furniture	Time registers and time clocks
Hoists	Trucks, hand
Lockers	Wheelbarrows

### 383. Shop Equipment

A. This account shall include the cost installed (see § 197.21) of utility-owned equipment used in shops when such equipment is not an integral part of the housing structure.

B. If the utility has shops at more than one location, separate records shall be maintained for each location.

#### ITEMS (See § 197.14)

Anvils	Gas producers
Belts, shafts and countershafts	Lathes
Boilers	Lockers
Cranes and hoists	Machine tools
Drill presses	Motor driven hand tools
Electric equipment	Motors and engines
Engines	Pipe cutting and threading machines
Forges	Pneumatic tools
Foundations and settings, specially constructed for and not expected to outlast apparatus for which provided	Smithing equipment
Furnaces	Time registers and time clocks
Furniture	Tool racks
	Vices
	Work benches

Note A: The cost of small portable tools and implements, such as hammers, screw drivers, saws, wrenches, files, jacks, wire cutters, climbing irons, shovels, etc., shall not be charged to this account. Such items shall be carried in account 123, Materials and Supplies, until issued for use, when such account shall be credited and the appropriate work order or account charged with the cost of tools or implements so issued.

### 384. Transportation Equipment

A. This account shall include the cost installed (see § 197.21) of utility-owned transportation and garage equipment when such equipment is not an integral part of the housing structure.

B. If the utility has garages at more than one location, separate records shall be maintained for each location.

ITEMS (See § 197.14)

Airplanes and other aviation equipment	Horses, wagons, and harness
Automobile repair shop equipment	Horseshoeing equipment
Automobiles	Motorcycles
Barges, scows, and tankers	Motor trucks
Battery charging outfits	Oil storage tanks
Drays	Repair cars or trucks
Electric vehicles	Tractors
Gasoline and oil pumps (portable)	Trailers
Gasoline storage tanks	Trucks
Greasing tools	Tugs
	Other garage or stable equipment

Note A: Transportation equipment used wholly for one purpose may be included in the account appropriate for such use.

Note B: The accounting for transportation service furnished to the utility by equipment owned by the operating or lessor municipality shall be as provided in section 197.33.

385. Communication Equipment

This account shall include the cost installed (see § 197.21) of utility-owned telephone, telegraph, and wireless lines and equipment when such equipment is not an integral part of the housing structure.

ITEMS (See § 197.14)

Antennae	Extension cords
Booths	Gongs
Cables	Hand sets, manual and dial
Distributing boards	Insulators
Intercommunicating sets	Switchboards
Loading coils	Telautograph circuit connections
Operators' desks	Telegraph receiving sets
Poles and fixtures used wholly for telephone or telegraph wire	Testing instruments
Radio transmitting and receiving sets	Towers
Sending keys	Underground conduits used wholly for telephone or telegraph wire and cable wires
Storage batteries	

386. Laboratory Equipment

A. This account shall include the cost installed (see § 197.21) of utility-owned laboratory equipment when such equipment is not an integral part of the housing structure.

B. If the utility has laboratories at more than one location, separate records shall be maintained for each location.

ITEMS (See § 197.14)

Ammeters	Portable loading devices
Current batteries	Potential batteries
Frequency changers	Potentiometers
Galvanometers	Rotating standards
Inductometers	Standard cell, reactance, resistor, and shunt
Laboratory standard milli-voltmeters	Switchboards
Laboratory standard voltmeters	Synchronous timers
Milli-voltmeters	Testing panels
Motor generator sets	Testing resistors
Panels	Transformers
Phantom loads	Voltmeters
Portable graphic ammeters, voltmeters, and wattmeters	Other testing, laboratory or research equipment not provided for elsewhere

387. General Tools and Implements

This account shall include the cost (see § 197.21) of utility-owned equipment used in construction or repair work outside of shops.

ITEMS (See § 197.14)

Air compressors, including driving unit and vehicle	Motors
Boilers	Pile drivers
Cable pulling equipment	Pipe machines
Concrete mixers and distributors	Power saws
Derricks	Pumps
Engines	Riveters
Forges	Steam hammers
Furnaces	Steam shovels
Ladders	Surveying and leveling equipment
Lathes	Tool carts
Hoists	Trenching machines

Note A: The cost of small portable tools and implements, such as hammers, saws, wrenches, files, jacks, wire cutters, climbing irons, etc., shall not be charged to this account. Such items shall be carried in account 123, Materials and

Supplies, until issued for use, when such account shall be credited and the appropriate work order or other account charged with the cost of tools or implements so issued.

Note B: The accounting for use by the utility of tools and equipment owned by the operating or lessor municipality shall be as provided in section 197.33.

#### 388. Miscellaneous General Equipment

This account shall include the cost installed (see § 197.21) of miscellaneous general equipment which can not properly be assigned to any other account and which is not a part of any housing structure.

#### 391. Miscellaneous Tangible Property

A. This account shall include the cost (see § 197.21) to the utility of tangible electric operating property which can not properly be assigned to any other account.

B. A separate subdivision of this account shall be maintained for each class of property in which the utility has a relatively large investment, and records shall be kept so as to show separately the cost of each major item.

#### 392. Undistributed Operating Property

A. When a utility purchases or sells any property or equipment as a whole or otherwise finds it necessary because of incomplete financial records to make a general readjustment of electric operating property accounts, temporary charges or credits to this account may be made on order of the commission, and the distribution of the amounts involved shall be made to the appropriate accounts only on order of the commission.

B. Balances in accounts previously carried representing operating property owned as of the effective date of this system of accounts, which were not classified by prescribed accounts prior to January 1, 1934, of which can not be allocated to the accounts prescribed herein, may be carried temporarily in this account. Proposed journal entries distributing such balances to the appropriate accounts, based on an inventory and appraisal at original cost (see § 196.1, subd. (a) (33)) of the property involved, shall be filed with the commission not later than two years after the effective date of this system of accounts. Entries effecting such distribution shall be made only upon order of the commission.

### INCOME ACCOUNTS

#### Operating income

401. Operating Revenues--Electric

402. Operating Expenses--Electric

403. Taxes--Electric

404. Uncollectible Revenues--Electric

421. Operating Revenues--Other Operations

422. Operating Expenses--Other Operations

423. Taxes--Other Operations

424. Uncollectible Revenues--Other Operations

431. Rent from Lease of Electric Plant--Cr.

432. Deductions from Rent Revenues--Electric

433. Rent for Lease of Electric Plant--Dr.

434. Rent from Other Operating Property--Cr.

435. Deductions from Rent Revenues--Other Operations

436. Rent for Other Operating Property--Dr.

#### Non-operating income

441. Revenues from Non-operating Property

- 442. Interest Revenues
- 443. Dividend Revenues
- 444. Miscellaneous Non-operating Revenues
- 449. Non-operating Revenue Deductions
- Income Deductions
- 451. Interest on Long Term Debt
- 452. Miscellaneous Interest Deductions
- 453. Amortization of Debt Discount and Expense
- 454. Release of Premium on Debt--Cr.
- 455. Interest Charged to Property--Cr.
- 456. Miscellaneous Amortization
- 459. Contractual Appropriations of Income
- 460. Miscellaneous Deductions from Income

**OPERATING INCOME**

401. Operating Revenues--Electric

This account shall include the total revenues, as provided in accounts 601 to 622, derived by the utility from its electric operations during the period covered by the income account. (See §§ 197.24, 197.25, 197.33.)

402. Operating Expenses--Electric

This account shall include the total expenses, as provided in accounts 701 to 793 incurred by the utility in its electric operations during the period covered by the income account. (See §§ 197.19, 197.30, 197.33.)

403. Taxes--Electric

A. This account shall include all taxes actually payable which relate to electric property, operations, and privileges for the period covered by the income account. (See also account 248, Taxes Accrued.)

B. Taxes on property leased from others for use in electric operations shall be included in this account when the lessee is obligated under the terms of the lease to pay such taxes in addition to a stipulated rent.

C. This account shall be charged each month with the amount of taxes which are applicable thereto, and concurrent credits shall be made to account 248, Taxes Accrued, or account 128, Prepayments. When it is not possible to determine the actual taxes to be accrued they shall be estimated and one-twelfth of the estimated annual amount shall be charged to this account monthly, with adjustments as the actual tax levies become known.

D. Utilities in Classes C and D may charge taxes to this account as they are paid instead of on the accrual basis provided in the preceding paragraphs.

Note A: Taxes on operating property other than that used in connection with electric operations shall be charged to the tax account of the appropriate operating department. Taxes on non-operating property shall be charged to account 449, Non-operating Revenue Deductions. Licenses, registration fees, and gasoline or other sales taxes borne by the utility shall be charged to appropriate operating expenses, property, or clearing accounts. Amounts payable annually or more frequently under the terms of franchises or consents, shall be included in account 791, Franchise Requirements.

Note B: Special assessments for street and other improvements and special benefit taxes shall be included in property, operating expense, or other accounts, as may be appropriate.

Note C: The records shall be kept so as to show separately the amount of each class of taxes included in this account, and the basis on which it is levied.

404. Uncollectible Revenues--Electric

This account shall be charged each month with amounts sufficient to provide for losses from uncollectible electric revenues, and concurrent credits shall be made to account 266, Reserve for Uncollectible Accounts. Losses thereafter sustained shall be charged to such reserve.

#### 421. Operating Revenues--Other Operations

This account shall include the revenues derived by the utility during the period covered by the income account from operations which are subject to the jurisdiction of the commission, other than electric service. Insofar as such operations are subject to regulation, the utility shall keep the accounts relating thereto in accordance with the effective systems of accounts for the several classes of operations.

Note: The utility shall keep separately the revenues applicable to each such operation.

#### 422. Operating Expenses--Other Operations

This account shall include the expenses incurred by the utility during the period covered by the income account in connection with operations which are subject to the jurisdiction of the commission, other than electric service. In so far as such operations are subject to regulation, the utility shall keep the accounts relating thereto in accordance with the effective systems of accounts for the several classes of operations.

Note: The utility shall keep separately the expenses applicable to each such operation.

#### 423. Taxes--Other Operations

A. This account shall include taxes actually payable which are applicable to operations which are subject to the jurisdiction of the commission, other than electric service. Insofar as such operations are subject to regulation, the utility shall keep the accounts relating thereto in accordance with the effective systems of accounts for the several classes of operations; except that utilities in Classes C and D may charge taxes to this account as they are paid instead of on the accrual basis.

B. This account shall be charged each month with the amount of taxes which are applicable thereto, and concurrent credits shall be made to account 248, Taxes Accrued or account 128, Prepayments. When it is not possible to determine the actual taxes, they shall be estimated and one-twelfth of the estimated annual amount shall be charged to this account monthly, with adjustments as the actual tax levies become known.

Note: The records shall be kept so as to show separately for each such operation the amount of each class of taxes included in this account, and the basis on which it is levied.

#### 424. Uncollectible Revenues--Other Operations

A. This account shall be charged with amounts previously credited to operating revenue accounts for operations which are subject to the jurisdiction of the commission, other than electric service, which become uncollectible. In so far as such operations are subject to regulation, the utility shall keep the accounts relating thereto in accordance with the effective systems of accounts for the several classes of operations.

B. When losses from uncollectible revenues are provided for through a reserve, this account shall be charged with amounts so provided and concurrent credits shall be made to a subdivision of account 266, Reserve for Uncollectible Accounts. Losses thereafter sustained shall be charged to such reserve.

Note: The utility shall keep separately the uncollectible revenues applicable to each such operation.

#### 431. Rent from Lease of Electric Plant--Cr.

This account shall include the rent from electric property constituting a distinct operating unit leased to others for electric operations, when the lessee has exclusive possession. (See § 197.28.)

Note: Rent from property carried in Operating Property--Electric, other than that covered in the text of this account, shall be credited to account 621, Rent from Electric Property.

#### 432. Deductions from Rent Revenues--Electric

A. This account shall include the expenses, including repairs and depreciation, applicable to property the rents from which are included in account 431, Rent from Lease of Electric Plant--Cr.; and also taxes on such property and uncollectible rents.

B. This account shall be subdivided to show separately for each lease the following items:

- (1) Expenses
- (2) Depreciation and amortization
- (3) Taxes actually payable
- (4) Uncollectible Rents

433. Rent for Lease of Electric Plant--Dr.

This account shall include rents payable for property constituting a distinct operating unit leased from others for use in electric operations, when the utility has exclusive possession. (See § 197.28.)

Note: Taxes payable upon leased property covered herein shall be included in account 403, Taxes--Electric.

434. Rent from Other Operating Property--Cr.

This account shall include the rent from operating property in department subject to the jurisdiction of the commission, other than electric property constituting a distinct operating unit leased to others, when the lessee has exclusive possession. (See § 197.28.)

435. Deduction from Rent Revenues--Other Operations

This account shall include the expenses, including repairs and depreciation applicable to property the rents from which are included in account 434, Rent from Other Operating Property--Cr.; and also taxes on such property and uncollectible rents.

436. Rent for Other Operating Property--Dr.

This account shall include rents payable for property constituting a distinct operating unit leased from others for use in operations subject to the jurisdiction of the commission other than electric service, when the utility has exclusive possession.

Note: Taxes payable upon leased property covered herein shall be included in account 423, Taxes--Other Operations.

## NON-OPERATING INCOME

441. Revenues from Non-operating Property

This account shall include rent and other revenues derived by the utility from non-operating applicable to the period covered by the income account. (See § 196.1 subd. (a) (27) and account 112, Non-operating Property.)

442. Interest Revenues

A. This account shall include interest accruing to the utility except interest on current funds employed primarily in the conduct of the business for which the utility is organized. If it be required that interest on a special fund represented a reserve is to be added to such fund and equivalent appropriation made to the reserve, such interest shall be credited to this account and such appropriation shall be charged to account 459, Contractual Appropriations of Income, or account 460, Miscellaneous Deductions from income, as appropriate.

B. Interest accrued shall not be credited to this account unless its payment is reasonably assured; otherwise credits to this account shall be based upon the interest actually collected.

Note A: This account shall be kept so as to show separately the interest revenue from each investment.

Note B: No interest upon reacquired securities issued or assumed by the utility shall be credited to this account.

443. Dividend Revenues

This account shall include revenues derived by the utility from dividends on stocks. Accruals of dividends may be included herein if their payment is reasonably assured. If it be required that dividends from stock held in a special fund represented by a reserve are to be added to such fund and equivalent appropriations made to the reserve, such dividends

shall be credited to this account and such appropriations shall be charged to account 459, Contractual Appropriations of Income, or account 460, Miscellaneous Deductions from Income, as appropriate.

#### 444. Miscellaneous Non-operating Revenues

A. This account shall include revenues accruing to the utility in accordance with the terms of any contract by which the utility is entitled to participate in profits resulting from the operations of others.

B. This account shall also include amounts periodically debited to investment and special fund accounts whereby the excess of the face amount of securities with a fixed date of maturity and accrued interest to date of purchase over the cost to the utility will be spread over the remaining life of the securities. No credits shall be made to this account in respect of discount upon securities so held unless there is reason to believe that the securities will be paid in full not later than their maturity date. The utility may defer entries in respect of such discount until the date of maturity or of redemption, at which time adjustment shall be made through Surplus.

C. This account shall also include all other non-operating revenues not provided for in the foregoing accounts.

Note: Profits from the operations of others do not include any dividends on stock.

#### 449. Non-operating Revenue Deductions

A. This account shall include expenses, taxes, and uncollectible bills, applicable to the period covered by the income account, in connection with non-operating property or in connection with revenues which are includible in accounts 441 to 444.

B. This account shall also include amounts periodically credited to investment or special fund accounts whereby the excess of the cost to the utility over the face amount of securities and accrued interest thereon will be spread over the remaining life of the securities. The utility may defer entries in respect of such premium until the date of maturity or redemption, at which time adjustment shall be made through Surplus. (See § 197.8).

### INCOME DEDUCTIONS

#### 451. Interest on Long Term Debt

This account shall be charged each month with the interest accrued on unmatured outstanding long term debt (see § 196.1, subd. (a) (20)) issued or assumed. This account shall not include interest on nominally outstanding long term debt (including securities assumed) held by the utility in its treasury.

Note A: The amount charged to this account shall be concurrently credited to account 249, interest Accrued, or account 128, Prepayments.

Note B: This account shall be kept so that the utility will be able to furnish the interest accruals for each class or subdivision of long term debt.

#### 452. Miscellaneous Interest Deductions

A. This account shall be charged each month with the interest accrued on all short term and other obligations of the utility not chargeable to account 451, interest on Long Term Debt, and not specifically provided for elsewhere.

B. This includes interest on unpaid taxes, on consumers' deposits, and on other similar obligations.

Note: This account shall be kept so that the utility will be able to furnish the interest accruals for each class of debt for which interest is charged hereto.

#### 453. Amortization of Debt Discount and Expense

This account shall include each month the portion of the unamortized debt discount and expense on outstanding long term debt, which is applicable to the month. This portion shall be determined according to a rule the uniform application of which during the interval between the issuance and maturity of such debt will completely amortize the net discount at which the debt was issued and the debt expense connected therewith. (See also § 197.9.)

#### 454. Release of Premium on Debt--Cr.

This account shall include each month the portion of the unamortized net premium on outstanding long term debt, which is applicable to the month. This portion shall be determined according to a rule the uniform application of which during the interval between the issuance and maturity of such debt will completely amortize the net premium at which the debt was issued. (See also § 197.9.)

#### 455. Interest Charged to Property--Cr.

This account shall include concurrent credits for amounts charged to account 110, Construction Work in Progress, or other fixed asset accounts, for interest during construction. (See § 197.21, subd. (e), par. (10).)

#### 456. Miscellaneous Amortization

A. This account shall include such amounts as the utility may be required by order of the commission to charge hereto. (See account 143, Suspense to be Amortized.)

B. This account shall also include provision for amortization of any excess of book cost (see § 196.1, subd. (a) (4)) over original cost (see § 196.1, subd. (a) (33)) of operating property.

Note: For instructions as to amortization of items of intangible operating property, see account 262, Amortization Reserves, and account 790, Amortization of Intangible Property.

#### 459. Contractual Appropriations of Income

This account shall include appropriations of income when specifically required under the terms of ordinances, mortgages, deeds of trust, orders of courts, contracts, or other agreements.

Note: Appropriations of income resting in the discretion of the utility, i.e., not required by mortgages, contracts, etc., shall be charged to account 460, Miscellaneous Deductions from Income.

#### 460. Miscellaneous Deductions from Income

This account shall include deductions from income for purposes not provided for elsewhere and not specifically required under terms of ordinances, mortgages, contracts, etc. This includes donations to others than the operating or lessor municipality and expenses of issuing obligations other than long term debt.

### SURPLUS ACCOUNTS

Surplus (Account 281), or Deficit (Account 161)

501. Balance Transferred from Income

502. Miscellaneous Credits to Surplus

512. Appropriations to Reserves

514. Miscellaneous Debits to Surplus

### SURPLUS (ACCOUNT 281), OR DEFICIT (ACCOUNT 161)

An account shall be maintained in the general books of the utility and the balance therein, if a debit, shall appear on the asset side of the balance sheet under account 161, Deficit, and if a credit, on the liability side of the balance sheet under account 281, Surplus.

501. Balance Transferred from Income

This account shall include the net balance developed in the Income Account.

502. Miscellaneous Credits to Surplus

This account shall include all credits affecting the utility's surplus or deficit not elsewhere provided for, such as:

(a) Adjustments or cancellation of balance sheet accounts (except accounts with the operating or lessor municipality)

(b) Cancellation of balance sheet accounts representing unclaimed wages or other liabilities written off because of inability to locate the creditor

(c) Profits derived from sale of miscellaneous investments or non-operating property (the accounting for profit on operating property sold shall be as provided in account 261, Depreciation Reserves)

(d) Credits resulting from difference between the cost of securities reacquired and the amount chargeable to account 151, Reacquired Securities

(e) Unamortized premium on long term debt reacquired before maturity (see §197.9,subd. (f)).

#### 512. Appropriations to Reserves

This account shall include appropriations of Surplus to reserves made by action of the board of directors or other governing body of the municipal electric utility, and not chargeable to account 459, Contractual Appropriations of Income.

Note: All other appropriations to reserves or-for other purposes shall be charged to account 460, Miscellaneous Deductions from Income, or other appropriate income account.

#### 514. Miscellaneous Debits to Surplus

This account shall include all debits affecting the utility's surplus or deficit not elsewhere provided for, such as:

(a) Adjustments or cancellation of balance sheet accounts (except accounts with the operating or lessor municipality)

(b) Losses or deficits which are not properly chargeable to operating expenses or income and for which no reserves have been provided

(c) Losses resulting from the sale of miscellaneous investments or non-operating property

(d) Debits resulting from difference between the cost of securities reacquired and the amount chargeable to account 151, Reacquired Securities

(e) Unextinguished discount and expense on long term debt reacquired before maturity (see § 197.9, subd. (f)).

### OPERATING REVENUE ACCOUNTS

#### Electric Service Revenues

601. Residential Sales

602. Commercial Sales

603. Industrial Sales

604. Public Street Lighting--Operating Municipality

605. Public Street Lighting--Other

606. Other Sales to Operating Municipality

607. Other Sales to Other Public Authorities

608. Sales to Other Distributors

609. Sales to Railroads and Street Railroads

#### Other Electric Revenues

621. Rent from Electric Property

622. Miscellaneous Electric Revenues

### ELECTRIC SERVICE REVENUES

601. Residential Sales

This account shall include revenues from electricity supplied for residential purposes.

Note A: The records supporting the entries to this account shall be kept so that the number of kilowatt-hours sold and the revenue therefrom will be available for each service classification.

Note B: When electricity supplied through a single meter is used for both residential and commercial purposes, the total revenue may be included in either this account or account 602, Commercial Sales.

#### 602. Commercial Sales

This account shall include revenues from electricity supplied for commercial purposes.

Note A: The records supporting the entries to this account shall be kept so that the number of kilowatt-hours sold and the revenue therefrom will be available for each service classification.

Note B: When electricity supplied through a single meter is used for both residential and commercial purposes, the total revenue may be included in either this account or account 601, Residential Sales.

#### 603. Industrial Sales

This account shall include revenues from electricity supplied for industrial purposes.

Note: The records supporting the entries to this account shall be kept so that the number of kilowatt-hours sold and the revenue therefrom will be available for each service classification.

#### 604. Public Street Lighting--Operating Municipality

This account shall include revenues from electricity supplied and services rendered for the purpose of lighting streets, parks, and other public places by means of electricity for the operating municipality. (For basis of credits to this account, see section 197.33.)

Note: The records supporting the entries to this account shall be kept so that the number of kilowatt-hours supplied at each rate will be available.

#### 605. Public Street Lighting--Other

This account shall include revenues from electricity supplied and services rendered for the purpose of lighting streets, parks, and other public places by means of electricity for municipalities other than the operating municipality, or other subdivisions or agencies of State or Federal governments.

Note: The records supporting the entries to this account shall be kept so that the number of kilowatt-hours supplied under each contract or rate will be available.

#### 606. Other Sales to Operating Municipality

This account shall include revenues from electricity supplied to the operating municipality for purposes other than street lighting. (For basis of credits to this account, see section 197.33.)

Note: The records supporting the entries to this account shall be kept so that the number of kilowatt-hours supplied for each type of use and at each rate will be available.

#### 607. Other Sales to Other Public Authorities

This account shall include revenues from electricity supplied for purposes other than street lighting or redistribution, to municipalities other than the operating municipality, or other subdivisions or agencies of State or Federal governments, under special contracts or agreements or service classifications applicable only to public authorities.

Note: The records supporting the entries to this account shall be kept so that the number of kilowatt-hours supplied under each contract or rate will be available.

#### 608. Sales to Other Distributors

This account shall include revenues from electricity supplied to private electric companies or to public authorities for redistribution.

Note A: When the contract is a reciprocal one, i.e., when either party thereto may take electricity from the other, the gross amount receivable for electricity supplied to the other party shall be included herein in each accounting period and

the gross amount payable for electricity received from the other party shall be charged to account 721, Electricity Purchased.

Note B: The records supporting the entries to this account shall show separately for each contract the point of delivery, the maximum demand upon the utility, the kilowatt-hours supplied, the basis for the charge, and the total charge to the distributor. When electricity is delivered to a distributor at more than one point, like detail shall be furnished for each point of delivery.

Note C: Revenues from electricity supplied to other public utilities for use by them shall be credited to account 602 or 603, unless supplied under the same contract as and not readily separable from revenues included in this account.

#### 609. Sales to Railroads and Street Railroads

This account shall include revenues derived from electricity supplied to railroads and street railroads, for use primarily in propulsion of their cars.

Note: Revenues from electricity supplied to railroads or street railroads for other purposes shall be credited to account 602 or 603, unless supplied under the same contract as and not readily separable from revenues included in this account.

### OTHER ELECTRIC REVENUES

#### 621. Rent from Electric Property

A. This account shall include revenues from the rent of electric operating property except when such rental is under lease or agreement which gives the lessee exclusive possession of a distinct operating unit. (See also account 431, Rent from Lease of Electric Plant- Cr., § 197.28.)

B. When the utility operates or maintains property for the joint benefit of itself and others, or for the joint benefit of the electric and other operating departments, under an arrangement for the apportionment of expenses upon the basis of relative benefits, any profits element or return and taxes upon the property involved shall be included in this account. Such profit or return on investment must be over and above all operating expenses, including provision for depreciation and amortization of the property involved. (See § 197.16.)

Note A: Rent from real estate held as an investment shall be included in account 441, Revenues from Non-operating Property.

Note B: When rent revenue is derived from property used jointly for electric and other operations, such revenue shall be equitably allocated among the departments involved.

#### 622. Miscellaneous Electric Revenues

This account shall include revenues incidental to electric operations not specifically provided for elsewhere, including interest on funds used in operations; sales to others of excess water, hydraulic power, or steam; commissions on sales or distribution of others' electricity (sold under schedules filed by such other distributors); and charges for the connection, disconnection, or reconnection of meters.

Note: A separate subdivision shall be maintained for each class of revenues includible in this account which is substantial in amount.

### OPERATING EXPENSE ACCOUNTS

#### 700 PRODUCTION EXPENSES

##### ELECTRIC GENERATION--STEAM POWER

D C B	701	Supervision and Labor
	A 701.1	Supervision and Engineering
	A 701.2	Boiler Labor
	A 701.3	Engine Labor
	A 701.4	Electric Labor
	A 701.6	Miscellaneous Labor

- D 702 Power Plant Supplies and Expenses
  - C B A 702.1 Fuel
  - C B A 702.2 Water
  - C B 702.3 Miscellaneous Supplies and Expenses
    - A 702.32 Lubricants
    - A 702.33 Production Supplies
    - A 702.34 Station Expense
- D C 703 Repairs to Power Plant
  - B A 703.1 Repairs to Power Plant Structures
  - B 703.2 Repairs to Boiler Plant Equipment
    - A 703.21 Repairs to Furnaces and Boilers
    - A 703.22 Repairs to Boiler Apparatus
    - A 703.23 Repairs to Steam Accessories
  - B 703.3 Repairs to Generator Units
    - A 703.31 Repairs to Prime Movers
    - A 703.32 Repairs to Generators
  - B A 703.6 Repairs to Accessory Electric Equipment
  - B A 703.7 Repairs to Miscellaneous Power Plant Equipment
- D C B A 704 Steam from Other Sources
- D C B A 705 Steam Transferred--Cr.
- D C B A 706 Depreciation of Power Plant
- D C B A 707 Production Rents

**ELECTRIC GENERATION--HYDRAULIC POWER**

- D C B 708 Supervision and Labor
  - A 708.1 Supervision and Engineering
  - A 708.2 Hydraulic Labor
  - A 708.4 Electric Labor
  - A 708.6 Miscellaneous Labor
- D 709 Power Plant Supplies and Expenses
  - C B A 709.1 Water for Power
  - C B 709.3 Miscellaneous Supplies and Expenses
    - A 709.32 Lubricants
    - A 709.33 Production Supplies
    - A 709.34 Station Expense
- D C 710 Repairs to Power Plant
  - B A 710.1 Repairs to Power Plant Structures
  - B 710.2 Repairs to Reservoirs, Dams, and Waterways
    - A 710.21 Repairs to Reservoirs, Dams, and Intakes
    - A 710.22 Repairs to Navigation Facilities
    - A 710.23 Repairs to Waterways
    - A 710.24 Repairs to Forebays, Penstocks, and Tailraces
  - B A 710.3 Repairs to Roads, Trails, and Bridges
  - B A 710.4 Repairs to Water Wheels and Turbines
  - B A 710.5 Repairs to Generators
  - B A 710.6 Repairs to Accessory Electric Equipment
  - B A 710.7 Repairs to Miscellaneous Power Plant Equipment
- D C B A 711 Depreciation of Power Plant
- D C B A 712 Production Rents

**ELECTRIC GENERATION--INTERNAL COMBUSTION ENGINE POWER**

- D C B 713 Supervision and Labor
  - A 713.1 Supervision and Engineering
  - A 713.3 Engine Labor
  - A 713.4 Electric Labor

- A 713.6 Miscellaneous Labor
- D 714 Power Plant Supplies and Expenses
  - C B A 714.1 Engine Fuel
  - C B 714.3 Miscellaneous Supplies and Expenses
    - A 714.31 Water
    - A 714.32 Lubricants
    - A 714.33 Production Supplies
    - A 714.34 Station Expense
- D C 715 Repairs to Power Plant
  - B A 715.1 Repairs to Power Plant Structures
  - B 715.3 Repairs to Engine Driven Generator Units
    - A 715.31 Repairs to Prime Movers
    - A 715.32 Repairs to Generators
  - B A 715.6 Repairs to Accessory Electric Equipment
  - B A 715.7 Repairs to Miscellaneous Power Plant Equipment
- D C B A 716 Gas for Power
- D C B A 717 Depreciation of Power Plant
- D C B A 718 Production Rents

#### OTHER PRODUCTION EXPENSES

- D C B A 721 Electricity Purchased
- D C B A 722 Purchased Electricity Expense
- D C B A 726 Production Expenses Transferred--Cr.
- D C B A 729 Duplicate Production Charges--Cr.

#### 730 TRANSMISSION EXPENSES

- D 731 Transmission System Operation
  - C B A 731.1 Transmission Supervision and Engineering
  - C B A 731.2 Operation of Transmission Substations
    - A 731.21 Transmission Substation Labor
    - A 731.22 Transmission Substation Supplies and Expenses
  - C B 731.4 Operation of Transmission Lines
    - A 731.41 Central Load Dispatching Labor
    - A 731.42 Operation of Overhead Transmission Lines
    - A 731.43 Operation of Underground Transmission Lines
    - A 731.45 Miscellaneous Transmission Line Operation Expense
- D C 732 Repairs to Transmission System
  - B A 732.1 Repairs to Transmission System Structures
  - B A 732.2 Repairs to Transmission Roads and Trails
  - B A 732.3 Repairs to Transmission Substation Equipment
  - B A 732.4 Repairs to Transmission Overhead Conductors
  - B A 732.5 Repairs to Transmission Underground Conductors
- D C B A 733 Depreciation of Transmission Property
- D C B A 734 Transmission Rents

#### 735 MAINTENANCE OF POLES, TOWERS, FIXTURES, AND CONDUITS

- D C B A 736 Repairs to Poles, Towers, and Fixtures
- D C B A 737 Repairs to Underground Conduits
- D C B A 738 Depreciation of Poles, Towers, Fixtures, and Conduits

#### 740 DISTRIBUTION EXPENSES

- D 741 Distribution System Operation
  - C B A 741.1 Distribution Supervision and Engineering
  - C B A 741.2 Operation of Distribution Substations
    - A 741.21 Distribution Substation Labor

- A 741.22 Distribution Substation Supplies and Expenses
- C B 741.3 Operation of Storage Batteries
  - A 741.31 Storage Battery Labor
  - A 741.32 Storage Battery Supplies and Expenses
- C B 741.4 Operation of Distribution Lines
  - A 741.42 Operation of Overhead Distribution Lines
  - A 741.43 Operation of Underground Distribution Lines
  - A 741.44 Removing and Resetting Line Transformers
  - A 741.45 Miscellaneous Distribution Line Operation Expense
- C B 741.5 Operation of Consumers' Meters
  - A 741.51 Meter Supervision and Records
  - A 741.52 Removing and Resetting Meters
- C B A 741.6 Service on Consumers' Premises
- D 742 Repairs to Distribution System
  - C 742.1 Repairs to Distribution Structures and Equipment
    - B A 742.11 Repairs to Distribution System Structures
    - B A 742.13 Repairs to Distribution Substation Equipment
    - B A 742.14 Repairs to Storage Battery Equipment
  - C B 742.4 Repairs to Overhead Distribution Conductors
    - A 742.41 Repairs to Alternating Current Distribution Overhead Conductors
    - A 742.42 Repairs to Direct Current Overhead Conductors
  - C B 742.5 Repairs to Underground Distribution Conductors
    - A 742.51 Repairs to Alternating Current Distribution Underground Conductors
    - A 742.52 Repairs to Direct Current Underground Feeders and Mains, and Edison Tube
  - C B 742.6 Repairs to Line Transformers
    - A 742.61 Repairs to Overhead Line Transformers
    - A 742.62 Repairs to Underground Line Transformers
  - C B 742.7 Repairs to Services
    - A 742.71 Repairs to Overhead Services
    - A 742.72 Repairs to Underground Services
  - C B 742.8 Testing and Repairing Consumers' Meters
    - A 742.81 Testing Consumers' Meters
    - A 742.82 Repairs to Consumers' Meters
  - C B A 742.9 Repairs to Other Property on Consumers' Premises
- D C B A 743 Depreciation of Distribution Property
- D C B A 744 Distribution Rents

#### 750 STREET LIGHTING AND SIGNAL SYSTEM EXPENSES

- D 751 Street Lighting and Signal System Operation
  - C B A 751.1 Street Lighting and Signal System Supervision and Engineering
  - C B 751.2 Operation of Street Lighting and Signal Systems
    - A 751.21 Operation of Overhead Street Lighting and Signal Systems
    - A 751.22 Operation of Underground Street Lighting and Signal Systems
- D C B 752 Repairs to Street Lighting and Signal System Equipment
  - A 752.1 Repairs to Overhead Street Lighting and Signal System Equipment
  - A 752.2 Repairs to Underground Street Lighting and Signal System Equipment
- D C B A 753 Depreciation of Street Lighting and Signal System Equipment
- D C B A 754 Street Lighting and Signal System Rents

#### 760 CONSUMERS' ACCOUNTING AND COLLECTING EXPENSES

- D C 761 Consumers' Accounting and Collecting Labor and Supplies
  - B A 761.1 Consumers' Accounting and Collecting Supervision
  - B 761.2 Consumers' Orders, Meter Reading, and Collecting

- A 761.21 Consumers' Orders
- A 761.22 Meter Reading
- A 761.23 Collecting
- B A 761.3 Consumers' Billing and Accounting
- B A 761.4 Miscellaneous Consumers' Accounting and Collecting Expenses
- D C B A 764 Consumers' Accounting and Collecting Rents

#### 770 SALES EXPENSES

- D C 771 Sales Labor and Supplies
  - B A 771.1 Sales Supervision
  - B 771.2 Demonstration, Advertising, and Other Sales Expenses
    - A 771.21 Demonstration
    - A 771.22 Advertising
    - A 771.23 Miscellaneous Sales Expenses
- D C B A 772 Appliance Selling and Jobbing
- D C B A 774 Sales Department Rents

#### 780 ADMINISTRATIVE AND GENERAL EXPENSES

- D C 781 General Office Salaries and Expenses
  - B A 781.1 Executive Department
  - B A 781.2 Treasury and Accounting Departments
  - B A 781.3 Law Department
  - B A 781.4 Other General Office Salaries
  - B A 781.5 Other General Office Supplies and Expenses
- D C B A 782 Management Service
- D C 783 Insurance, Injuries, and Damages
  - B A 783.1 Insurance
  - B A 783.2 Injuries and Damages
- D C B A 784 Regulatory Commission Expenses
- D C 785 Other General Expenses
  - B A 785.1 Employees' Welfare Expenses
  - B A 785.2 Miscellaneous General Expenses
- D C B A 786 General Rents
- D C B A 787 Repairs to General Property
- D C B A 788 Depreciation of General Property
- D C B A 789 Deferred Retirement Losses
- D C B A 790 Amortization of Intangible Property
- D C B A 791 Franchise Requirements
- D C B A 792 Miscellaneous Expenses Transferred--Cr.
- D C B A 793 Duplicate Miscellaneous Charges--Cr.

#### 700 PRODUCTION EXPENSES

##### ELECTRIC GENERATION--STEAM POWER

- D C B 701 Supervision and Labor
- A 701.1 Supervision and Engineering

This account shall include the pay and expenses of officers, superintendents, and other employees engaged in supervising and directing the operation of the steam power generating stations; assistants, chemists, general foremen, and clerical help on records; such portion of the salaries and expenses of the engineering staff, consulting operating engineers, and draftsmen, as may be applicable; and related office supplies and expenses (but not rent). (See 197.10.)

- A 701.2 Boiler Labor

This account shall include the pay of employees in boiler rooms and elsewhere about the premises engaged in making steam.

ITEMS (See § 197.14)

Boiler house engineer and assistants	Weighers
Feed-pump men	Labor employed:
Firemen	Blowing flues
Furnace operators	Cleaning boilers
Helpers	Handling coal and ashes within boiler plant
Stoker attendants	Pulverizing coal
Stokers	Testing steam meters and gauges
Watchmen	and other instruments
Water tenders	

Note: Do not include maintenance labor in this account.

A 701.3 Engine Labor

This account shall include the pay of employees engaged in operating prime movers, including steam engines, steam turbines, and auxiliary apparatus operated in connection therewith.

ITEMS (See § 197.14)

Chief engineers and assistants	Watch engineers and assistants
Machinists and helpers	Wipers
Oilers	

Note: Do not include maintenance labor in this account.

A 701.4 Electric Labor

This account shall include the pay of employees engaged in operating electric generating and accessory equipment, including switchboards, feeder terminal boards, and other electric equipment, to the point where the electricity leaves the station for transmission or distribution.

ITEMS (See § 197.14)

Dynamomen	Generator attendants
Electricians	Switchboard operators and assistants
Foremen and assistants	Wipers
Gallerymen	Wiremen

Note: Do not include maintenance labor in this account.

A 701.6 Miscellaneous Labor

This account shall include the pay of employees engaged in operating steam power generating stations which is not chargeable to the foregoing accounts.

ITEMS (See § 197.14)

Elevator men	Watchmen
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Manhole gaskets                      Wipers

Packing

Note: Do not include in this account maintenance materials, fuel, or water.

A 702.34 Station Expense

This account shall include miscellaneous expenses incurred in operating steam power generating stations not elsewhere provided for.

ITEMS (See § 197.14)

Boiler inspection fees

Meter supplies

Building service (but not rent)

Stationery and office supplies

Communication service

Transportation

Log sheets and charts

Water for fire protection or general use

D C    703 Repairs to Power Plant

B A 703.1 Repairs to Power Plant Structures

This account shall include the cost of repairs to buildings, structures, fixtures, and grounds, the book cost of which is included in account 311 (1), Steam Power Plant Land, and account 312 (1), Steam Power Plant Structures. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

B 703.2 Repairs to Boiler Plant Equipment

A 703.21 Repairs to Furnaces and Boilers

This account shall include the cost of repairs to boilers and furnaces, the book cost of which is included in account 321, Boiler Plant Equipment, including brick work, water walls, stacks, boiler foundations, flues and breeching, grate and stoker bars, valves and superheaters. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

A 703.22 Repairs to Boiler Apparatus

This account shall include the cost of repairs to feed water, coal, and ash handling systems, and auxiliary apparatus in the boiler room, the book cost of which is included in account 321, Boiler Plant Equipment, such as air preheaters, ash disposal and coal handling equipment, combustion control system, draft apparatus, foundations, feed water apparatus, stokers and grinders with drives, piping pulverizing equipment, pumps, and water purification system. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

A 703.23 Repairs to Steam Accessories

This account shall include the cost of repairs to the piping system in connection with the making of steam and delivery thereof to the prime movers, the book cost of which is included in account 321, Boiler Plant Equipment, such as main steam piping to throttle valve of engine, auxiliary steam main and auxiliary exhaust, make-up water, feed water, drip, blowoff and valve control system, pipe covering, valves, and fittings. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

B 703.3 Repairs to Generator Units

A 703.31 Repairs to Prime Movers

This account shall include the cost of repairs to main steam engines and steam turbines the book cost of which is included in account 322, Engine Driven Generator Units--Steam, and account 323, Turbo-Generators--Steam. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### A 703.32 Repairs to Generators

This account shall include the cost of repairs to main steam driven generators and main exciters, the book cost of which is included in account 322, Engine Driven Generator Units--Steam, and account 323, Turbo-Generators--Steam.

Note: Repair items are indicated in section 197.29.

#### B A 703.6 Repairs to Accessory Electric Equipment

This account shall include the cost of repairs to electric equipment the book cost of which is included in account 324, Accessory Electric Equipment--Steam. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### B A 703.7 Repairs to Miscellaneous Power Plant Equipment

This account shall include the cost of repairs to miscellaneous equipment the book cost of which is included in account 325, Miscellaneous Power Plant Equipment--Steam. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### D C B A 704 Steam from Other Sources

A. This account shall include the cost of steam purchased for use in steam engines and turbines devoted to the production of electricity. If steam is purchased from the operating municipality the charge shall be as provided in section 197.33.

B. This account shall also include charges for steam transferred to electric generation when such steam is produced primarily for use in another operating department of the utility. (See also § 197.26.)

Note: This account shall be kept so as to show separately for each party from which steam is purchased, the point of delivery, the quantity, the price, and the total charge. When steam is transferred from another operating department, the utility shall be prepared to show full details of the cost of producing such steam, the basis of the charges to electric generation, and the extent and manner of use by each department involved.

#### D C B A 705 Steam Transferred--Cr.

This account shall include credits for steam transferred to another operating department of the utility or of the municipality when such steam is produced primarily for use in electric generation.

Note: The basis of credits to this account shall be clearly indicated. Such credits shall consist of the equitable proportion of the total cost of steam produced, including repairs and depreciation of power plant property and equipment. Any allowance in addition to the amount properly creditable to this account shall be included in account 621, Rent from Electric Property. (See also 197.33.)

#### D C B A 706 Depreciation of Power Plant

A. This account shall include the depreciation charges for the following classes of depreciable steam power generating property (except such as are chargeable to account 432, Deductions from Rent Revenues--Electric):

Steam Power Plant Land (account 311 (1))

Steam Power Plant Structures (account 312 (1))

Boiler Plant Equipment (account 321)

Engine Driven Generator Units Steam (account 322)

Turbo-Generators--Steam (account 323)

Accessory Electric Equipment--Steam (account 324)

Miscellaneous Power Plant Equipment--Steam (account 325)

B. The depreciation charges shall be computed in accordance with subdivision (b) of section 197.7 and shall be concurrently credited to account 261, Depreciation Reserves.

D C B A 707 Production Rents

A. This account shall include rents includible in operating expenses (see § 197.28) for property of the operating municipality (see § 197.33) or of others used in connection with steam power generation.

B. This account shall be kept so as to show the rent for leased production property separately from rent for facilities operated under arrangements for the joint use of facilities of another; and also rents paid to the operating municipality separately from rents paid to others.

ELECTRIC GENERATION--HYDRAULIC POWER

D C B 708 Supervision and Labor

A 708.1 Supervision and Engineering

This account shall include the pay and expenses of officers, superintendents, and other employees engaged in supervising and directing the operation of hydraulic power generating stations; assistants, general foremen, and clerical help on records; such portion of the salaries and expenses of the engineering staff, consulting operating engineers, and draftsmen, as may be applicable; and related office supplies and expenses (but not rent). (See § 197.10.)

A 708.2 Hydraulic Labor

This account shall include the pay of employees engaged in operating hydraulic works, including reservoirs, dams, and waterways, and water wheels and turbines.

ITEMS (See § 197.14)

Cleaners at reservoirs and screens	Foremen
Flume patrolmen	Intake operators

Note: Do not include maintenance labor in this account.

A 708.4 Electric Labor

This account shall include the pay of employees engaged in operating electric generating and accessory equipment, including switchboards, feeder terminal boards, and other electric equipment, to the point where the electricity leaves the station for transmission or distribution.

ITEMS (See § 197.14)

Dynamomen	Generator attendants
Electricians	Switchboard operators and assistants
Foremen and assistants	Wipers
Gallerymen	Wiremen

Note: Do not include maintenance labor in this account.

A 708.6 Miscellaneous Labor

This account shall include the pay of employees engaged in operating hydraulic power generating stations which is not chargeable to the foregoing accounts.

ITEMS (See § 197.14)

Elevator men	Watchmen
Janitors	Yard and building cleaners
Messengers	

Note: Do not include maintenance labor in this account.



This account shall include the cost of repairs to reservoirs, dams, and intakes with their appurtenant structures, and facilities such as gates, raising and lowering apparatus, wasteways, spillways, fish ladders, etc., the book cost of which is included in account 331 (1), Reservoirs, Dams, and intakes. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### A 710.22 Repairs to Navigation Facilities

This account shall include the cost of repairs to locks, booms, sluices, regulating gates, and other appurtenant structures and facilities for navigation purposes, the book cost of which is included in account 331 (2), Navigation Facilities. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### A 710.23 Repairs to Waterways

This account shall include the cost of repairs to canals, ditches, flumes, tunnels, pipe lines, and other appurtenant structures and facilities, the book cost of which is included in account 331 (3), Waterways. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

A 710.24 Repairs to Forebays, Penstocks, and Tailraces  
This account shall include the cost of repairs to forebays, penstocks, tailraces, and other appurtenant structures and facilities, the book cost of which is included in account 331 (4), Forebays, Penstocks, and Tailraces. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### B A 710.3 Repairs to Roads, Trails, and Bridges

This account shall include the cost of repairs to permanent roads, trails, bridges, and railways, the book cost of which is included in account 332, Roads, Trails, and Bridges. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### B A 710.4 Repairs to Water Wheels and Turbines

This account shall include the cost of repairs to hydraulic facilities from the connection with penstock or flume to tailrace of all main hydraulic turbines and water wheels the book cost of which is included in account 333, Water Wheels, Turbines, and Generators. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### B A 710.5 Repairs to Generators

This account shall include the cost of repairs to main water driven generators and main exciters the book cost of which is included in account 333, Water Wheels, Turbines, and Generators. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### B A 710.6 Repairs to Accessory Electric Equipment

This account shall include the cost of repairs to electric equipment the book cost of which is included in account 334, Accessory Electric Equipment--Hydro. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### B A 710.7 Repairs to Miscellaneous Power Plant Equipment

This account shall include the cost of repairs to miscellaneous equipment the book cost of which is included in account 335, Miscellaneous Power Plant Equipment--Hydro. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### D C B A 711 Depreciation of Power Plant

A. This account shall include the depreciation charges for the following classes of depreciable hydraulic power generation property (except such as are chargeable to account 432, Deductions from Rent Revenues--Electric):

- Hydro-Electric Power Plant Land (account 311 (2))
- Hydro-Electric Power Plant Structures (account 312 (2))
- Reservoirs, Dams, and Waterways (account 331)
- Roads, Trails, and Bridges (account 332)
- Water Wheels, Turbines, and Generators (account 333)
- Accessory Electric Equipment--Hydro (account 334)
- Miscellaneous Power Plant Equipment--Hydro (account 335)

B. The depreciation charges shall be computed in accordance with subdivision (b) of section 197.7 and shall be concurrently credited to account 261, Depreciation Reserves.

D C B A 712 Production Rents

A. This account shall include rents includible in operating expenses (see § 197.28) for property of the operating municipality (see § 197.33) or of others used in connection with hydraulic power generation; and also assessments for current operation, maintenance, and interest in connection with government dams, structures, or head water improvements, or amounts payable for cost of administration under Federal or State water power authorities.

B. This account shall be kept so as to show the rent for leased production property separately from rent for facilities operated under arrangements for the joint use of facilities of another; and also rents paid to the operating municipality separately from rents paid to others.

ELECTRIC GENERATION--INTERNAL COMBUSTION ENGINE POWER

D C B 713 Supervision and Labor

A 713.1 Supervision and Engineering

This account shall include the pay and expenses of officers, superintendents, and other employees engaged in supervising and directing the operation of internal combustion engine power generating stations, assistants, chemists, general foremen, and clerical help on records; such portion of the salaries and expenses of the engineering staff, consulting operating engineers, and draftsmen, as may be applicable; and related office supplies and expenses (but not rent). (See § 197.10.)

A 713.3 Engine Labor

This account shall include the pay of employees engaged in operating prime movers, including Diesel, gasoline, gas, or other internal combustion engines and auxiliary apparatus operated in connection therewith.

ITEMS (See § 197.14)

- |                                |                                |
|--------------------------------|--------------------------------|
| Chief engineers and assistants | Watch engineers and assistants |
| Machinists and helpers         | Wipers                         |
| Oilers                         |                                |

Note: Do not include maintenance labor in this account.

A 713.4 Electric Labor

This account shall include the pay of employees engaged in operating electric generating and accessory equipment, including switchboards, feeder terminal boards, and other electric equipment, to the point where the electricity leaves the station for transmission or distribution.

ITEMS (See § 197.14)

- |              |                                      |
|--------------|--------------------------------------|
| Dynamomen    | Generator attendants                 |
| Electricians | Switchboard operators and assistants |



Note A: Oil used in pumping water shall be charged to account 714.31, Water.

Note B: Do not include in this account oil for transformers, grease or oil for automobiles, trucks, or wagons, or oil for lamps or similar purposes.

#### A 714.33 Production Supplies

This account shall include the cost of small tools and supplies used in the operation of internal combustion engine power generating stations.

#### ITEMS (See § 197.14)

Dynamo brushes	Tools, hand
Gauge glasses	Washers
Handhole gaskets	Waste
Manhole gaskets	Wipers
Packing	

Note: Do not include in this account maintenance materials, fuel, or water.

#### A 714.34 Station Expense

This account shall include miscellaneous expenses incurred in operating internal combustion engine power generating stations not elsewhere provided for.

#### ITEMS (See § 197.14)

Building service (but not rent)	Meter supplies
Communication service	Stationery and office supplies
Log sheets and charts	Transportation

#### D C 715 Repairs to Power Plant

##### B A 715.1 Repairs to Power Plant Structures

This account shall include the cost of repairs to buildings, structures, fixtures, and grounds, the book cost of which is included in account 311 (3), internal Combustion Power Plant Land, and of account 312 (3), Internal Combustion Power Plant Structures. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

##### B 715.3 Repairs to Engine Driven Generator Units

##### A 715.31 Repairs to Prime Movers

This account shall include the cost of repairs to Diesel, gas, oil, and other internal combustion engines, the book cost of which is included in account 342, Engine Driven Generator Units--Internal Combustion. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

##### A 715.32 Repairs to Generators

This account shall include the cost of repairs to main internal combustion engine driven generators and main excitors, the book cost of which is included in account 342, Engine Driven Generator Units Internal Combustion. (See § 97.10.)

Note: Repair items are indicated in section 197.29.

##### B A 715.6 Repairs to Accessory Electric Equipment

This account shall include the cost of repairs to electric equipment the book cost of which has included in account 344, Accessory Electric Equipment--Internal Combustion. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### B A 715.7 Repairs to Miscellaneous Power Plant Equipment

This account shall include the cost of repairs to miscellaneous equipment the book cost of which is included in account 345, Miscellaneous Power Plant Equipment--Internal Combustion. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### D C B A 716 Gas for Power

A. This account shall include the cost of gas purchased which is used for internal combustion power generation.

B. This account shall also include charges for gas transferred to electric operations when such gas is produced primarily for use in another operating department of the utility or of the municipality. (See § 197.33.)

Note: This account shall be kept so as to show separately for each party from which gas is purchased, the point of delivery, the quantity, the price, and the total charge. When gas is transferred from another operating department, the utility shall be prepared to show full details of the cost of producing such gas, the basis of the charges to electric operations, and the extent and manner of use by each department involved.

\* So in original. "ke" should be "be".

#### D C B A 717 Depreciation of Power Plant

A. This account shall include the depreciation charges of the following classes of depreciable internal combustion power generating property (except such as are chargeable to account 432, Deductions from Rent Revenues Electric):

Internal Combustion Power Plant Land (account 311 (3))

Internal Combustion Power Plant Structures (account 312 (3)) Engine Driven Generator Units--Internal Combustion (account 342)

Accessory Electric Equipment--Internal Combustion (account 344)

Miscellaneous Power Plant Equipment--Internal Combustion (account 345)

B. The depreciation charges shall be computed in accordance with subdivision (b) of section 197.7 and shall be concurrently credited to account 261, Depreciation Reserves.

#### D C B A 718 Production Rents

A. This account shall include rents includible in operating expenses (see § 197.28) for property of the operating municipality (see § 197.33) or of others used in connection with internal combustion power generation.

B. This account shall be kept so as to show the rent for leased production property separately from rent for facilities operated under arrangements for the joint use of facilities of another; and also rents paid to the operating municipality separately from rents paid to others.

### OTHER PRODUCTION EXPENSES

#### D C B A 721 Electricity Purchased

This account shall include the cost at the point of delivery of electricity purchased for resale, including charges for readiness to serve and amounts payable to others for their electricity sold by the accounting utility under agency agreements.

Note A: When the contract is a reciprocal one, i.e., when either party thereto may take electricity from the other, the amount payable for the gross quantity of electricity received from the other party shall be charged hereto in each accounting period and the amount receivable for the gross quantity supplied to the other party shall be included in the appropriate revenue account.

\* So in original.

Note B: The records supporting the entries to this account shall be kept so as to show for each party from which electricity is obtained, the point of delivery, the maximum demand, the quantity purchased, the basis of charges, and the amount payable therefor.

D C B A 722 Purchased Electricity Expense

This account shall include the cost of operating the equipment used in measuring and testing purchased electricity and any other expenses incidental to the purchase of electricity which are not otherwise provided for.

D C B A 726 Production Expenses Transferred--Cr.

This account shall include concurrent credits for charges representing production expenses of electricity supplied to another coordinate department.

Note: Basis of credits to this account shall be clearly indicated. Such credits shall consist of the equitable proportion of the total production cost, including repairs and depreciation of production property. Any allowance in addition to the amount properly creditable to this account shall be included in account 621, Rent from Electric Property. (See also § 197.33.)

D C B A 729 Duplicate Production Charges--Cr.

This account shall include concurrent credits for charges made for electricity consumed in generating stations.

730 TRANSMISSION EXPENSES

D 731 Transmission System Operation

C B A 731.1 Transmission Supervision and Engineering

This account shall include the pay and expenses of officers, superintendents, and other employees engaged in supervising and directing the operation of the transmission system (see § 197.35); assistants, general foremen, and clerical help on records; such portion of the salaries and expenses of the engineering staff, consulting operating engineers, and draftsmen, as may be applicable; and related office supplies and expenses (but not rent). (See § 197.10.)

C B 731.2 Operation of Transmission Substations

A 731.21 Transmission Substation Labor

This account shall include the pay of employees in transmission substations (see § 197.35), including routine inspecting and testing of equipment operated.

Note: Do not include maintenance labor in this account.

A 731.22 Transmission Substation Supplies and Expenses

This account shall include the cost of supplies used and expenses incurred in the operation of transmission substations. (See § 197.35.)

ITEMS (See § 197.14)

Building service (but not rent)	Records, substation
Communication service	Stationery and office supplies
Lubricants and waste	Tools
Meter supplies	Water

Note: Do not include maintenance materials in this account.

C B 731.4 Operation of Transmission Lines

A 731.41 Central Load Dispatching Labor

This account shall include the pay of system operators, load dispatchers, and their assistants engaged in the operation of a central load dispatching system.

A 731.42 Operation of Overhead Transmission Lines

This account shall include the pay and expenses of employees engaged in the operation of the overhead transmission lines (see § 197.35), and supplies and small tools used in connection therewith.

ITEMS (See § 197.14)

Clearing brush and other refuse	Transportation
Patrolling	Trimming trees
Shop expenses	Voltage surveys
Testing lines	

Note: Do not include in this account maintenance labor or materials.

A 731.43 Operation of Underground Transmission Lines

This account shall include the pay and expenses of employees engaged in the operation of underground transmission lines (see § 197.35), and supplies and small tools used in connection therewith.

ITEMS (See § 197.14)

Cleaning subway ducts, manholes, and sewer connections	Testing lines
Patrolling	Transportation
Shop expenses	Voltage surveys

Note: Do not include in this account maintenance labor or materials.

A 731.45 Miscellaneous Transmission Line Operation Expense

This account shall include miscellaneous supplies used and expenses incurred not provided for in the foregoing transmission line operating accounts. (See § 197.35.)

Note: Do not include in this account maintenance labor or materials.

D C 732 Repairs to Transmission System

B A 732.1 Repairs to Transmission System Structures

This account shall include the cost of repairs to transmission structures, fixtures, and grounds, the book cost of which is included in account 311 (5), Transmission System Land and Rights of Way, and account 312 (5), Transmission System Structures. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

B A 732.2 Repairs to Transmission Roads and Trail

This account shall include the cost of repairs to roads, trails, and bridges, the book cost of which is included in account 351, Transmission Roads and Trails. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

B A 732.3 Repairs to Transmission Substation Equipment

This account shall include the cost of repairs to substation equipment the book cost of which is included in account 352, Transmission Substation Equipment. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

B A 732.4 Repairs to Transmission Overhead Conductors

This account shall include the cost of repairs to overhead conductors and line devices the book cost of which is included in account 353, Transmission Overhead Conductors. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

B A 732.5 Repairs to Transmission Underground Conductors

This account shall include the cost of repairs to underground conductors and line devices the book cost of which is included in account 354, Transmission Underground Conductors. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### D C B A 733 Depreciation of Transmission Property

A. This account shall include the depreciation charges for the following classes of depreciable transmission system property (except such as are chargeable to account 432, Deductions from Rent Revenues--Electric):

Transmission System Land and Rights of Way (account 311 (5))

Transmission System Structures (account 312 (5))

Transmission Roads and Trails (account 351)

Transmission Substation Equipment (account 352)

Transmission Overhead Conductors (account 353)

Transmission Underground Conductors (account 354)

B. The depreciation charges shall be computed in accordance with subdivision (b) of section 197.7 and shall be concurrently credited to account 261, Depreciation Reserves.

#### D C B A 734 Transmission Rents

A. This account shall include rents includible in operating expenses (see § 197.28) for property of the operating municipality (see § 197.33) or of others used in connection with the operation or maintenance of the transmission system, including annual payments to state or federal governments for use and occupancy of public lands and reservations for transmission rights of way.

B. This account shall be kept so as to show the rent for leased transmission property separately from rent for facilities operated under arrangements for the joint use of facilities of another; and also rents paid to the operating municipality separately from rents paid to others.

### 735 MAINTENANCE OF POLES, TOWERS, FIXTURES AND CONDUITS

#### D C B A 736 Repairs to Poles, Towers, and Fixtures

This account shall include the cost of repairs to poles, towers, and fixtures the book cost of which is included in account 358, Poles, Towers, and Fixtures. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### D C B A 737 Repairs to Underground Conduits

This account shall include the cost of repairs to conduits the book cost of which is included in account 359, Underground Conduits. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### D C B A 738 Depreciation of Poles, Towers, Fixtures, and Conduits

A. This account shall include the depreciation charges for the following classes of depreciable property (except such as are chargeable to account 432, Deductions from Rent Revenues--Electric):

Poles, Towers, and Fixtures (account 358)

Underground Conduits (account 359)

B. The depreciation charges shall be computed in accordance with subdivision (b) of section 197.7 and shall be concurrently credited to account 261, Depreciation Reserves.

### 740 DISTRIBUTION EXPENSES

D 741 Distribution System Operation

C B A 741.1 Distribution Supervision and Engineering

This account shall include the pay and expenses of officers, superintendents, and other employees engaged in supervising and directing the operation of the distribution system (see § 197.35); assistants, general foremen, and clerical help on records; such portion of the salaries and expenses of the engineering staff, consulting operating engineers, and draftsmen, as may be applicable; and related office supplies and expenses (but not rent). (See § 197.10.)

C B 741.2 Operation of Distribution Substations

A 741.21 Distribution Substation Labor

This account shall include the pay of employees in distribution substations (see § 197.35), including routine inspecting and testing of equipment operated.

Note: Do not include maintenance labor in this account.

A 741.22 Distribution Substation Supplies and Expenses

This account shall include the cost of supplies used and expenses incurred in the operation of distribution substations. (see § 197.35.)

ITEMS (See § 197.14)

Building service (but not rent)	Stationery and office supplies
Communication service	Tools
Lubricants and waste	Transportation
Meter supplies	Water
Records, substation	

Note: Do not include maintenance materials in this account.

C B 741.3 Operation of Storage Batteries

A 741.31 Storage Battery Labor

This account shall include the pay of battery men, inspectors, and testers engaged in the operation of storage batteries the book cost of which is included in account 362, Storage Battery Equipment.

A 741.32 Storage Battery Supplies and Expenses

This account shall include the cost of supplies used and expenses incurred in the operation of storage batteries the book cost of which is included in account 362, Storage Battery Equipment.

ITEMS (See § 197.14)

Acid	Paint
Automatic cell fillers	Rubber hose
Brooms	Shoes
Brushes for boosters and compensators	Soda
Distilled water for cells	Sponges
Gloves	Thermometers
Hydrometers	Waste
Mops	

Note: Do not include maintenance materials in this account.

C B 741.4 Operation of Distribution Lines

A 741.42 Operation of Overhead Distribution Lines

This account shall include the pay and expenses of employees engaged in the operation of overhead distribution lines (see § 197.35) and services, and supplies and small tools used in connection therewith.

ITEMS (See § 197.14)

Clearing brush and other refuse	Transportation
Patrolling	Trimming trees
Shop expenses	Voltage surveys
Testing lines	

Note: Do not include in this account maintenance labor or materials.

A 741.43 Operation of Underground Distribution Lines

This account shall include the pay and expenses of employees engaged in the operation of underground distribution lines (see § 197.35) and services, and supplies and small tools used in connection therewith.

ITEMS (See § 197.14)

Cleaning subway ducts, manholes, and sewer connections	Testing lines
Patrolling	Transportation
Shop expenses	Voltage surveys

Note: Do not include in this account maintenance labor or materials.

A 741.44 Removing and Resetting Line Transformers

This account shall include the cost of labor, materials, and other expenses incident to inspecting, testing, removing, resetting, and changing location of line transformers. (See account 365, Line Transformers.)

A 741.45 Miscellaneous Distribution Line Operation Expense

This account shall shall\* include miscellaneous supplies used and expenses incurred in the operation of distribution lines not provided for elsewhere.

\* So in original.

C B 741.5 Operation of Consumers' Meters

A 741.51 Meter Supervision and Records

This account shall include the pay and expenses of superintendents and assistants engaged in the operation of the meter department, clerical help on records, and supplies used and expenses incurred in connection therewith.

ITEMS (See § 197.14)

Employees:	Supplies and Expenses:
Cleaners	Building service (but not rent)
Clerks in meter department	Communication service
Janitors	Electric service
Superintendents and assistants	Records, keeping of
Watchmen	Stationery and office supplies
	Transportation

#### A 741.52 Removing and Resetting Meters

This account shall include the cost of labor and materials used and expenses incurred in removing and resetting or changing location of meters on consumers' premises.

Note: The cost of the first setting of meters on a new service line shall be charged to account 369, Consumers' Meter Installation.

#### C B A 741.6 Service on Consumers' Premises

This account shall include the cost of labor and materials used and expenses incurred in work on consumers' premises other than those included in accounts 741.44, Removing and Resetting Line Transformers, 741.52, Removing and Resetting Meters, and 742.81, Testing Consumers' Meters.

#### ITEMS (See § 197.14)

Changing location of lamps

Improving character of service

Inspecting premises

Installing, removing, and renewing lamps

Investigating and adjusting consumers' service complaints

Moving appliances

Repairing wiring, fixtures, and appliances

Testing consumers' equipment

Note A: Damages to consumers' equipment by employees of the utility, whether incidental to the work or the result of negligence, shall be charged to the job on which the employees were engaged at the time such damage occurred.

Note B: Expenses incidental to taking routine demands shall be charged to account 742.81, Testing Consumers' Meters; those incidental to taking demand and power factor readings for billing purposes shall be charged to account 761.22, Meter Reading.

#### D 742 Repairs to Distribution System

##### C 742.1 Repairs to Distribution Structures and Equipment

###### B A 742.11 Repairs to Distribution System Structures

This account shall include the cost of repairs to buildings, fixtures, and grounds, the book cost of which is included in account 311 (6), Distribution System Land and Rights of Way, account 312 (6), Distribution System Structures. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

###### B A 742.13 Repairs to Distribution Substation Equipment

This account shall include the cost of repairs to distribution substation equipment, the book cost of which is included in account 361, Distribution Substation Equipment. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

###### B A 742.14 Repairs to Storage Battery Equipment

This account shall include the cost of repairs to supplementary and standby storage battery equipment, the book cost of which is included in account 362, Storage Battery Equipment. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

##### C B 742.4 Repairs to Overhead Distribution Conductors

###### A 742.41 Repairs to Alternating Current Distribution Overhead Conductors

This account shall include the cost of repairs to alternating current overhead conductors and line devices, the book cost of which is included in subdivisions (1) and (2) of account 363, Distribution Overhead Conductors. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### A 742.42 Repairs to Direct Current Overhead Conductors

This account shall include the cost of repairs to direct current overhead conductors and line devices, the book cost of which is included in subdivision (3) of account 363, Distribution Overhead Conductors. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### C B 742.5 Repairs to Underground Distribution Conductors

##### A 742.51 Repairs to Alternating Current Distribution Underground Conductors

This account shall include the cost of repairs to underground alternating current conductors and line devices, the book cost of which is included in subdivisions (1) and (2) of account 364, Distribution Underground Conductors. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

##### A 742.52 Repairs to Direct Current Underground Feeders and Mains, and Edison Tube

This account shall include the cost of repairs to underground direct current feeders, mains, Edison Tube, and line devices, the book cost of which is included in subdivisions (3) and (4) of account 364, Distribution Underground Conductors. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### C B 742.6 Repairs to Line Transformers

##### A 742.61 Repairs to Overhead Line Transformers

This account shall include the cost of repairs to overhead line transformers the book cost of which is included in account 365 (1), Line Transformers--Overhead. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

##### A 742.62 Repairs to Underground Line Transformers

This account shall include the cost of repairs to underground line transformers the book cost of which is included in account 365 (2), Line Transformers--Underground. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### C B 742.7 Repairs to Services

##### A 742.71 Repairs to Overhead Services

This account shall include the cost of repairs to services the book cost of which is included in account 366, Overhead Services. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

##### A 742.72 Repairs to Underground Services

This account shall include the cost of repairs to services the book cost of which is included in account 367, Underground Services. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### C B 742.8 Testing and Repairing Consumers' Meters

##### A 742.81 Testing Consumers' Meters

This account shall include the cost of routine testing and inspection of meters, including demand meters, on consumers' premises or in meter shops, and the preparation of test cards and load cars.

Note: The cost of the first test of meters and auxiliary equipment shall be charged to the account to which such meters are charged.

#### A 742.82 Repairs to Consumers' Meters

This account shall include the cost of repairs to meters, devices, and appurtenances thereto, the book cost of which is included in account 368, Consumers' Meters, and account 369, Consumers' Meter Installation. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### C B A 742.9 Repairs to Other Property on Consumers' Premises

This account shall include the cost of repairs to property on consumers' premises, the book cost of which is included in account 370, Other Property on Consumers Premises. (See § 197.10.)

Note: Repair items are indicated in section 197.29.

#### D C B A 743 Depreciation of Distribution Property

A. This account shall include the depreciation charges for the following classes of depreciable distribution property (except such as are chargeable to account 432, Deductions from Rent Revenues--Electric):

Distribution System Land and Rights of Way (account 311 (6))

Distribution System Structures (account 312 (6))

Distribution Substation Equipment (account 361)

Storage Battery Equipment (account 362)

Distribution Overhead Conductors (account 363)

Distribution Underground Conductors (account 364)

Line Transformers (account 365)

Overhead Services (account 366)

Underground Services (account 367)

Consumers' Meters (account 368)

Consumers' Meter Installation (account 369)

Other Property on Consumers' Premises (account 370)

B. The depreciation charges shall be computed in accordance with subdivision (b) of section 197.7 and shall be concurrently credited to account 261, Depreciation Reserves.

#### D C B A 744 Distribution Rents

A. This account shall include rents includible in operating expenses (see § 197.28) for property of the operating municipality (see § 197.33) or of others used in connection with the operation or maintenance of the distribution system (see § 197.35\*, including annual payments to State or Federal governments for use and occupancy of public lands and reservations for distribution rights of way.

\* So in original. Closing parentheses inadvertently omitted.

B. This account shall be kept so as to show the rent for leased distribution property separately from rent for facilities operated under arrangements for the joint use of facilities of another; and also rents paid to the operating municipality separately from rents paid to others.

### 750 STREET LIGHTING AND SIGNAL SYSTEM EXPENSES

#### D 751 Street Lighting and Signal System Operation

##### C B A 751.1 Street Lighting and Signal System Supervision and Engineering

This account shall include the pay and expenses of officers, superintendents, and other employees engaged in supervising and directing the operation of street lighting and signal systems; assistants, general foremen, and clerical help on records; such portion of the salaries and expenses of the engineering staff, consulting operating engineers, and draftsmen, as may be applicable; and related office supplies and expenses (but not rent). (See also §§ 197.10, 197.33.)

Note: The utility may keep expenses applicable to street lighting separate from expenses applicable to signal system operations.

#### C B 751.2 Operation of Street Lighting and Signal Systems

##### A 751.21 Operation of Overhead Street Lighting and Signal Systems

This account shall include the cost of labor and materials used and expenses incurred in the operation of overhead street lighting and signal systems, including traffic, fire and police signal systems.

##### ITEMS (See § 197.14)

Clearing brush and other refuse	Transportation
Patrolling	Trimming trees
Testing lines	Voltage surveys

Note A: Do not include in this account maintenance labor or materials.

Note B: The utility may keep expenses applicable to street lighting separate from expenses applicable to signal system operations.

##### A 751.22 Operation of Underground Street Lighting and Signal System

This account shall include the cost of labor and materials used and expenses incurred in the operation of street lighting and signal systems, including traffic, fire, and police signal systems.

##### ITEMS (See § 197.14)

Cleaning subway ducts, manholes, and sewer connections	Testing lines
Patrolling	Transportation
	Voltage surveys

Note A: Do not include in this account maintenance labor or materials.

Note B: The utility may keep expenses applicable to street lighting separate from expenses applicable to signal system operations.

#### D C B A 752 Repairs to Street Lighting and Signal System Equipment

##### A 752.1 Repairs to Overhead Street Lighting and Signal System Equipment

This account shall include the cost of repairs to overhead street lighting and signal system equipment the book cost of which is included in account 371 (1), Street Lighting and Signal System Equipment--Overhead.

Note A: Repair items are indicated in Section 197.29.

Note B: The utility may keep expenses applicable to street lighting separate from expenses applicable to signal system operations.

##### A 752.2 Repairs to Underground Street Lighting and Signal System Equipment

This account shall include the cost of repairs to underground street lighting and signal system equipment the book cost of which is included in account 371 (2), Street Lighting and Signal System Equipment--Underground.

Note A: Repair items are indicated in section 197.29.



Postage

A 761.22 Meter Reading

This account shall include the pay and expenses of employees engaged in reading consumers' meters, and supplies used and expenses incurred in connection therewith. (See §§ 197.10, 197.33.)

ITEMS (See § 197.14)

Badges	Meter readers, pay of
Building service (but not rent)	Transportation
Forms for recording readings	Uniforms
Lamps	

A 761.23 Collecting

This account shall include the pay and expenses of employees engaged in collecting consumers' bills, and supplies used and expenses incurred in connection therewith. (See §§ 197.10, 197.33.)

ITEMS (See § 197.14)

Building service (but not rent)	Postage
Commissions, fees, or salaries of collectors	Repairs to furniture and office equipment
Disconnection for non-payment of bills	Transportation
Office supplies	

B A 761.3 Consumers' Billing and Accounting

This account shall include the pay and expenses of employees engaged in consumers' billing and accounting, and supplies used and expenses incurred in connection therewith. (See §§ 197.10, 197.33.)

ITEMS (See § 197.14)

Accounts, consumers' keeping of	Office supplies
Addressograph plates	Postage
Billing	Repairs to furniture and office equipment
Bookkeeping	Stationery and printing
Books	Statistical work on consumers' accounts
Building service (but not rent)	Tabulating sales
Delivery of bills	Transportation

B A 761.4 Miscellaneous Consumers' Accounting and Collecting Expenses

This account shall include the labor and materials used and expenses incurred in consumers' accounting and collecting which are not chargeable to the foregoing accounts.

D C B A 764 Consumers' Accounting and Collecting Rents

This account shall include rents includible in operating expenses (see § 197.28) for property of the operating municipality (see § 197.33) or of others used in connection with consumers' accounting and collecting.

770 SALES EXPENSES

D C 771 Sales Labor and Supplies

Note: When duties of individual employees are so diversified that distribution of pay to this account and to account 761, Consumers' Accounting and Collecting Labor and Supplies, and account 781, General Office Salaries and Expenses, is impracticable, Class D utilities may charge such pay to the account or accounts to which the major portion of the time of such employees is applicable. Office supplies and expenses may be accounted for in like manner.

B A 771.1 Sales Supervision

This account shall include the pay and expenses of officers and employees engaged in supervising and directing the sales department and the solicitation of new business; assistants, salesmen, stenographers, and clerical help on records; and related office supplies and expenses (but not rent). (See §§ 197.10, 197.33.)

B 771.2 Demonstration, Advertising, and Other Sales Expenses

A 771.21 Demonstration

This account shall include the labor and materials used and expenses incurred in demonstrating the proper use of appliances or other equipment.

ITEMS (See § 197.14)

Employees:	Expenses:
Demonstrators	Building service (but not rent)
Instructors	Communication service
Typists and clerks	Demonstration supplies
	Electric service
	Transportation

A 771.22 Advertising

This account shall include the labor and materials used and expenses incurred in connection with advertising for the purpose of promoting the sale of electricity.

ITEMS (See § 197.14)

Advertising in newspapers, periodicals, etc.

Advertising manager and assistants

Clerks

Materials and expenses in preparing:

Advertisements  
Booklets  
Bulletins  
Dodgers  
Posters

Stenographers and typists

Note B: Advertisements not directly connected with the promotion of the sale of electricity, such as advertisements in connection with employment, changes in rates, cases before regulatory commissions or courts, the sale of bonds, or other securities, or general public relations, shall not be included in this account but in account 785, Other General Expenses, or other appropriate account.

A 771.23 Miscellaneous Sales Expenses

This account shall include labor and materials used and expenses incurred in soliciting new business other than those chargeable to the foregoing accounts. (See also § 197.33.)

ITEMS (See § 197.14)

Canvassers, pay and expenses	Estimates, cost of preparing
Commissions	Installations, technical advice on

#### D C B A 772 Appliance Selling and Jobbing

A. This account shall include revenues derived from the sale by the utility or its employees or agents, of goods or appliances which operate by means of electricity; also the performance, by the utility or by its employees, of jobbing or contract work, such as wiring and installing appliances, constructing at consumers' expense services not includible in operating property, etc.

B. This account shall also include the profit or commission accruing to the utility on merchandise sales or on jobbing for others as agent.

C. To this account shall be charged the cost of merchandise sold and jobbing work done for its own account.

#### D C B A 774 Sales Department Rents

This account shall include rents includible in operating expenses (see § 197.28) for property of the operating municipality (see § 197.33) or of others used for the sales department.

### 780 ADMINISTRATIVE AND GENERAL EXPENSES

#### D C 781 General Office Salaries and Expenses

Note: When duties of individual employees are so diversified that distribution of pay to this account and to account 761, Consumers' Accounting and Collecting Labor and Supplies, and account 771, Sales Labor and Supplies, is impracticable, Class D utilities may charge such pay to the account or accounts to which the major portion of the time of such employees is applicable. Office supplies and expenses may be accounted for in like manner.

#### B A 781.1 Executive Department

This account shall include the pay, office, traveling, and other expenses of officers who are engaged in the general administration or management of the utility, and the pay and expenses of their assistants and office forces.

#### ITEMS (See § 197.14)

##### Salaries:

Managers, general and division

Members of governing board Municipal officers, whose duties include supervision of the plant and who devote part of their time thereto, equitable portion of (See also § 197.33.)

Secretary

Superintendents

Assistants authorized to act for officers Office and staff forces (e.g., staff assistants, secretaries, stenographers, clerks, messengers, office boys, etc.) of officers and employees of executive department

##### Expenses:

Books and periodicals

Building service (but not rent)

Communication service

Meals, including payments therefor on account of overtime work

Office supplies

Postage

Printing

Repairs to furniture and office equipment

Stationery

Transportation

Note A: Do not include in this account amounts payable to organizations for service chargeable to account 782, Management Service.

Note B: If officers or assistants supervise particular departments of electric operations or other operations, or are engaged in specific work other than supervision of the entire electric system, their pay and expenses shall be apportioned to the appropriate accounts for electric operations or other operations. (See also § 197.33.)

#### B A 781.2 Treasury and Accounting Departments

This account shall include the pay, office, traveling, and other expenses of officers, assistants and office forces, of the treasury and general accounting departments, except such as are chargeable to consumers' accounting and collecting or to other departments of electric operations.

ITEMS (See § 197.14)

Salaries:

Accountants (other than on consumers' accounts or on work in other departments of electric operations)

Accounting and audit fees

Auditor

Bookkeepers (other than on consumers' accounts or in departmental offices)

Cashiers (other than on consumers' accounts)

Chief accountant

Comptroller

Members of governing board

Municipal officers, whose duties include supervision of the plant, and who devote part of their time thereto, equitable portion of (See § 197.33.)

Office manager

Paymasters

Treasurer

Assistants authorized to act for officers

Office and staff forces (e.g., staff assistants, secretaries, clerks, stenographers, messengers, office boys, etc.) of officers and employees of treasury and accounting departments

Expenses:

Books and periodicals

Building service (but not rent)

Communication service

Meals, including payments therefor on account of overtime work

Office supplies

Postage

Printing, including bond certificates for transfer purposes (see also note D hereunder)

Repairs to furniture and office equipment

Stationery

Transportation

Note A: Do not include in this account amounts payable to organizations for services chargeable to account 782, Management Service.

Note B: If officers or assistants supervise particular departments of electric operations or other operations, or are engaged in specific work other than supervision of the entire electric system, their pay and expenses shall be apportioned to the appropriate accounts for electric operations or other operations. (See §§ 197.10, 197.33.)

Note C: This account may be subdivided to show expenses applicable to the treasury department separately from those which apply to the accounting department.

Note D: The cost of printing bonds in connection with new or additional issues shall be charged to account 141, Unamortized Debt Discount and Expense, or account 271, Unamortized Premium on Debt, as appropriate.

#### B A 781.3 Law Department

This account shall include, except as provided elsewhere (see notes A and B hereunder), the pay and expenses of officers, assistants, office forces, and other employees of the law department of the municipal electric utility; fees and retainers, supplies, and expenses of attorneys not regularly employed; court costs; and supplies and expenses of the law office of the municipal electric utility.

#### ITEMS (See § 197.14)

##### Salaries:

- Attorneys and assistants
- Clerks
- Counsel
- Law clerks
- Solicitors
- Special counsel
- Other employees of law department

##### Expenses:

- Building service (but not rent)
- Communication service
- Cost of law suits
- Cost of preparing and printing agreements, briefs, reports, etc. Court costs
- Court fees
- Law books, periodicals, and subscriptions to special services
- Law forms and law office supplies
- Meals, including payment therefor on account of overtime work
- Office supplies and expenses
- Payments to attorneys who are not regular employees
- Postage
- Premiums on court or other bonds
- Printing
- Repairs to furniture and office equipment
- Stationery
- Tax reports, claims, etc., when handled by legal staff
- Transcripts of testimony, copies of exhibits, etc.
- Transportation
- Traveling expenses of attorneys, witnesses, etc.
- Witness fees

Note A: The pay of general law department officers and employees engaged in formal cases before regulatory commissions, or in cases in which such a commission is a party, or when specifically assigned to injury or damage cases, shall be charged to account 146, Regulatory Commission Suspense, account 783.2, Injuries and Damages, or other appropriate account.

Note B: Law expenses incident to the construction of electric property or the acquisition of certificates from federal or state commissions or securing from local authorities franchises or consents shall be charged to the appropriate operating property accounts. (For law expenses in connection with property purchased, see section 197.27.) Law expenses incident to the issuance of long term debt shall be charged to account 141, Unamortized Debt Discount and Expense, or account 271, Unamortized Premium on Debt.

Note C: See also section 197.33.

#### B A 781.4 Other General Office Salaries

This account shall include the pay of officers, assistants, office forces, and other employees engaged in the general office of the electric department and not elsewhere provided for.

Note: Salaries which are clearly applicable to any group of operating expenses other than Administrative and General shall not be included in this account.

**B A 781.5 Other General Office Supplies and Expenses**

This account shall include the expenses incurred and the cost of supplies for the electric general office, including office building service. (See also 197.33.)

**ITEMS (See § 197.14)**

Books	Printing
Building service (but not rent)	Repairs to office equipment
Communication service	Stationery
Forms for office use	Subscriptions to newspapers, periodicals, and clipping bureaus
Office supplies	Transportation
Postage	Waste baskets

Note A: Office expenses which are clearly applicable to any group of operating expenses other than Administrative and General shall not be included in this account.

Note B: The cost of repairs to general office structures shall be charged to account 787, Repairs to General Property.

Note C: Exclude herefrom and include in accounts 761-774, the expenses of the consumers' accounting and collecting and sales departments of the utility.

**D C B A 782 Management Service**

This account shall include all fees and incidental expenses payable by the utility to organizations or persons other than its own employees or employees of the operating municipality, for continuously rendered management and supervision services. (See also § 197.33.)

Note A: The records supporting this account shall be kept so as to show the bases for the charges hereto, and the payee.

**D C 783 Insurance, Injuries, and Damages**

**B A 783.1 Insurance**

This account shall include the cost of insurance to protect the utility against losses and damages to owned or leased property used in its electric operations except as provided in note C hereunder. This includes the premiums payable to insurance companies or amounts credited to account 264, Insurance Reserve, for fire, storm, burglary, boiler, explosion, lightning, and other insurance; and special costs incurred in procuring insurance, such as notarial fees, insurance inspection service; and the pay, traveling, and office expenses of officers, clerks, and other employees of an insurance department.

Note A: Recoveries from insurance companies or others for property damages shall be credited to the account charged with the cost of the repairs. If the damaged property is retired, the credit shall be to account 261, Depreciation Reserves.

Note B: The utility shall keep its records so as to show the amount of coverage for each class of insurance carried, the property covered, and the premiums applicable thereto; and the distribution of the costs to specific operations or departments.

Note C: The cost of insurance to protect the utility against losses and damages to the following classes of owned or leased property used in electric operations shall be charged as follows:

Materials and supplies and stores equipment, to account 802, Stores-Clearing.

Shop and laboratory equipment, to account 803, Shop and Laboratory-Clearing.

Transportation and garage equipment, to account 804, Transportation-Clearing.

Insurance on other property may be distributed to the accounts herein in accordance with the use of the property insured.

Note D: See also section 197.33.

#### B A 783.2 Injuries and Damages

A. This account shall include losses (except as provided in note D herein) not covered by insurance, on account of injuries or deaths to employees or others, which occur in connection with electric operations, including payments and expenses on account of damages to the property of others in connection with such operations whether by fire, flood, storm, or other cause. Amounts may be accrued monthly sufficient to meet the probable liability for such losses, with concurrent credits to account 265, Injuries and Damages Reserve, in which case such losses shall be charged to the reserve.

B. This account shall also include:

(1) Pay and expenses of officers and employees regularly engaged in or specifically assigned to work in connection with injuries to employees or others, damages to property of others, etc. (See section 197.10.)

(2) Payments to attorneys, investigators, and adjusters, court costs, etc.

(3) Insurance premiums for protection against claims from injuries and damages, including public liability, property damage, workmen's compensation, boiler, casualty, etc. (except as provided in note D herein)

C. Reimbursements from insurance companies or others for expenses charged hereto on account of injuries and damages, and insurance dividends or refunds, shall be credited to this account.

Note A: Accruals to this account may be made upon the basis of a percentage of revenue, quantity of electricity sold, or other appropriate basis.

Note B: Payments to or on behalf of employees, including accident and death benefits, salaries, hospital expenses, medical supplies, and also salaries, fees, and expenses of surgeons, doctors, nurses, etc., when provided for through a plan for employees' benefits, shall be charged to account 785.1, Employees' Welfare Expenses.

Note C: No part of the salaries of officers or employees of the law department shall be included in this account for merely incidental services in connection with injury and damage claims. (See § 197.10.)

Note D: Losses or insurance in connection with transportation and garage equipment shall be charged to account 804, Transportation--Clearing. The utility may distribute other losses to the accounts provided for the operation in connection with which the losses were incurred. (See also clearing accounts 802-808.)

Note E: See also section 197.10.

#### D C B A 784 Regulatory Commission Expenses

This account shall include expenses incurred by the utility in connection with formal cases before federal or state regulatory commissions, or cases in which such a body is a party, which by order of the Commission are chargeable hereto. (See account 146, Regulatory Commission Suspense.)

#### D C 785 Other General Expenses

##### B A 785.1 Employees' Welfare Expenses

A. This account shall include pensions paid to retired employees or their beneficiaries and the costs incurred because of membership of employees of the utility in New York State Employees' Retirement System.

B. This account shall include the cost incurred in conducting employees' accident prevention, educational and recreational activities, the cost of employees' relief and benefits (other than injuries and damages chargeable to account 783.2, Injuries and Damages and the cost of life and other insurance underwritten or paid by the utility on employees for the benefit of such employees or their beneficiaries\*.

\* So in original. Closing parentheses inadvertently omitted.

Note A: Any municipality which, after the effective date of this order, joins the New York State Employees' Retirement System for the benefit of the employees of any utility department subject to the jurisdiction of the Public Service Commission, shall promptly notify the Commission of that action, giving the effective date of membership, and submit a copy of the report of the State actuary.

Note B: No charges shall be made to this account in anticipation of discretionary pension payments in the future.

Note C: See also sections 197.11 and 197.33.

#### B A 785.2 Miscellaneous General Expenses

A. This account shall include all general expenses connected with electric operations not provided for elsewhere. This includes fees and expenses payable to trustees; dues in associations of public utilities; expenses in connection with publishing and mailing reports and notices to governing bodies or to citizens of the operating municipality, etc.; cash overages and shortages; badges and uniforms of employees; and other like items.

B. Class D utilities which do not keep clearing accounts 802 to 808 shall charge to this account the cost of items includible in such clearing accounts except when the expenditures are chargeable to operating property accounts (see § 197.21), or are clearly applicable to a particular account. Repairs shall be charged to account 787, Repairs to General Property; and depreciation shall be charged to account 788, Depreciation of General Property.

Note: See also section 197.33.

#### D C B A 786 General Rents

This account shall include the rent accrued each month on all items of property of the municipality (see § 197.33) or of a general character, such as office buildings, office space, shops, storehouses, etc., used in electric operations, except rent for property constituting a distinct operating unit of which the utility has exclusive possession. (See also account 433, Rent for Lease of Electric Plant--Dr.)

Note A: Revenues from subleasing property the rent for which is included in this account shall be credited to account 621, Rent from Electric Property (§ 200.5).

#### D C B A 787 Repairs to General Property

This account shall include the cost of repairs to office buildings, storehouses, shops, laboratories, garages, and the grounds appurtenant thereto, or other property, the book cost of which is included in subdivisions (7), (8), (9), (10), and (11) of account 311, Land, or subdivisions (7), (8), (9), (10), and (11) of account 312, Structures, account 385, Communication Equipment, account 388, Miscellaneous General Equipment, and account 391, Miscellaneous Tangible Property.

Note A: Repair items are indicated in section 197.29.

Note B: See also § 197.33.

Note C: Repairs to office equipment shall be charged to the same account as supplies and expenses of the office or other room in which such equipment is located.

Note D: If account 808, General Tools and Implements--Clearing, is not used, repairs to general tools and implements shall be included in this account.

#### D C B A 788 Depreciation of General Property

A. This account shall include the depreciation charges for the following classes of depreciable general structures and grounds and general equipment (except such as are chargeable to account 432, Deductions from Rent Revenues--Electric\*:

\* So in original. Closing parentheses inadvertently omitted.

Office Land (account 311 (7))

Shop Land (account 311 (8))

Stores Land (account 311 (9))

Transportation Land (account 311 (10))  
Miscellaneous Land (account 311 (11))  
Office Structures (account 312 (7))  
Shop Structures (account 312 (8))  
Stores Structures (account 312 (9))  
Transportation Structures (account 312 (10))  
Miscellaneous Structures (account 312 (11))  
Office Equipment (account 381)  
Communication Equipment (account 385)  
Miscellaneous General Equipment (account 388)  
Miscellaneous Tangible Property (account 391)

B. This account shall also include the portion applicable to electric operations of the depreciation charges upon similar property in Operating Property--General, which is partly used in electric operations.

C. The depreciation charges shall be computed in accordance with subdivision (b) of section 197.7 and shall be concurrently credited to account 261, Depreciation Reserves.

Note B: If account 808, General Tools and Implements--Clearing, is not used, depreciation charges for general tools and implements (account 387), shall be included in this account.

#### D C B A 789 Deferred Retirement Losses

This account shall include the portion of the unamortized service value of electric or general operating property retired which, by order of the Commission, the utility is required to charge hereto each month with concurrent credits to account 143, Suspense to be Amortized. (See § 197.23, subd. (b).)

#### D C B A 790 Amortization of Intangible Property

A. This account shall include amortization charges for limited term leaseholds, rights of way, water diversion rights, water rights, patent rights, licenses, and cost of and expenses incidental to the acquisition of franchises, consents, permits, privileges, etc., which are included in accounts 302, Franchises and Consents, 303, Miscellaneous Intangible Property, and 311, Land. Such charges shall be computed so as to distribute the book cost of each item evenly throughout its life.

B. This account shall also include the portion applicable to electric operations of the amortization charges upon similar property in Operating Property--General, which is partly used in electric operations.

C. The amounts charged to this account shall be concurrently credited to account 262, Amortization Reserves.

D. This account shall also be charged or credited with the loss or profit at the retirement of any item of intangible property listed above as provided in account 262, Amortization Reserves.

#### D C B A 791 Franchise Requirements

A. This account shall include annual or more frequent payments to municipal or other governmental authorities (except the operating municipality), and the cost of services and materials furnished such authorities, in compliance with franchises, ordinances, or similar requirements, to the extent that payment therefor is not received. (See also § 197.33.)

B. The utility may charge to this account at regular tariff rates, instead of cost, electricity furnished without charge under provisions of franchises to others than the operating municipality.

C. When no direct outlay is involved, concurrent credit for such charges shall be to account 793, Duplicate Miscellaneous Charges--Cr.

#### D C B A 792 Miscellaneous Expenses Transferred—Cr.

This account shall include such part of operating costs (except steam and other production costs), borne in the first instance by the electric department, as is properly chargeable to another coordinate department of the utility, such as a gas department. This is not intended to prohibit the direct apportionment of expenses between departments, and so far as practicable, that shall be done. (See also § 197.33.)

D C B A 793 Duplicate Miscellaneous Charges--Cr.

This account shall include concurrent credits for charges which are made to account 791, Franchise Requirements, to the extent that such charges do not represent direct outlays. It shall also include concurrent credits for charges which are made to operating expense accounts other than production expenses, for electricity used by or services rendered to the electric department for which there is no direct money outlay.

Note: Exclude from this account any transactions with the operating municipality. (See § 197.33.) Clearing accounts utilities in Classes A, B, and C

**Required**

- 801. Charges by Operating Municipality
- 802. Store--Clearing
- 803. Shop and Laboratory--Clearing
- 804. Transportation—Clearing

**Optional**

- 805. Building Service
- 806. Supervision--Clearing
- 807. Engineering--Clearing
- 808. General Tools and Implements--Clearing

Clearing accounts utilities in Class D

**Required**

- 801. Charges by Operating Municipality

**Optional**

- 802. Stores-Clearing
- 803. Shop and Laboratory--Clearing
- 804. Transportation--Clearing
- 805. Building Service
- 807. Engineering--Clearing
- 808. General Tools and Implements--Clearing

**REQUIRED**

- 801. Charges by Operating Municipality

A. This account shall include all amounts payable by the utility or which were credited to the operating municipality for any purpose whatsoever. This includes contributions in cash or property, charges for or incident to management, purchasing, construction, accounting, engineering, and other services, rentals, advertising, portions of salaries and expenses of officers or employees of the operating municipality, printing, insurance, portions of expenses of the operating municipality which are also a benefit to the utility, materials, commissions, taxes, and all other items. This includes all such items, whether the ultimate distribution through this account is to property, operating expense, or other accounts. Items for which no payment is to be made shall be credited to account 280, Contributions-Operating Municipality.

B. This account shall be cleared by charging to the appropriate accounts the expenditures applicable thereto.

C. No debits for any expenditures described in paragraph A hereof shall be made to any other account in this system of accounts except by clearing through this account.

Note B: The mandatory use of this account may be suspended upon order of the commission if equivalent information is readily obtainable from other sources in the utility's records.

- 802. Stores--Clearing

A. This account shall be charged with the cost of supervision, labor, and expenses applicable to the operation of the utility's storerooms, including the purchase, storage, handling, and distribution of materials and supplies; and also repairs and depreciation of stores equipment. (See also § 197.33.)

B. Credit to this account cash discounts when such discounts can not be applied to particular materials.

C. This account shall be cleared by crediting hereto amounts sufficient to distribute the stores expenses over the cost of the materials handled.

ITEMS (See § 197.14)

Adjustment of inventories of materials and supplies (see account 123, Materials and Supplies)

Books, stationery, postage, and office supplies

Building service (but not rent)

Collecting and handling scrap materials in stores

Communication service

Delivery charges

Depreciation of stores equipment (account 382)

Discount on materials, not assignable to specific items

Fees and expenses for purchasing service

Freight, expressage, etc., not assignable to specific items

Heat, light, and power

Injuries and damages

Inspecting and testing materials and supplies, not assignable to specific items Insurance on stores materials and supplies and on stores equipment

Losses due to breakage, leakage, evaporation, fire, and other causes

Pay and expenses of purchasing agents, storekeepers, clerks, and others employed in storerooms or in stores offices

Repairs to stores equipment

Transporting materials into storehouse, not assignable to specific items

Unloading cost

Note: Transportation charges on materials recovered from plant shall be charged to the account to which the cost of removal was charged.

803. Shop and Laboratory--Clearing

A. This account shall be charged with the cost of supervision, labor, and expenses applicable to the operation of the shops and the laboratories of the utility. (See also § 197.33.)

B. This account shall be cleared by crediting hereto amounts sufficient to distribute the shop and laboratory expenses to the operating expense or other accounts to which the amounts included herein are applicable.

ITEMS (See § 197.14)

Books and stationery

Building service (but not rent)

Charts

Collecting and handling scrap materials

Communication service

Depreciation of shop and laboratory equipment (accounts 383 and 386)

Electric service

Heat, light, and power

Injuries and damages

Inspecting and testing pipe

Insurance on shop and laboratory equipment

Pay and expenses of superintendents, machinists, chemists, and others employed in shops and laboratories

Periodicals

Repairs to shop and laboratory equipment

Testing supplies

Note: When the expenses in connection with a shop or laboratory are chargeable to a single account, they may be charged directly to such account.

#### 804. Transportation--Clearing

A. This account shall be charged with the cost of supervision, labor, and expenses applicable to the operation of the transportation equipment of the utility. (See also § 197.33.)

B. This account shall be cleared by apportionment to property, operating expense, or other accounts on the basis of time and/or mileage of vehicles, with due regard to differences in size and character of vehicles.

#### ITEMS (See § 197.14)

Building service (but not rent)

Communication service

Depreciation of transportation and garage equipment (account 384)

Electric service

Feed and bedding for horses

Fuel and lubricants for vehicles, including sales taxes thereon

Injuries to persons and damages to property of others in the operation of transportation equipment, including cost of insurance protection therefor

Insurance

License fees for vehicles and drivers

Operation of garages and stables

Pay of drivers

Rent of vehicles

Repairs to transportation and garage equipment

Shop and laboratory expenses

Tires, tubes, and chains

Note A: Records supporting this account shall show the extent and nature of usage of each transportation unit for which charges are handled through this account.

Note B: Expenses incurred in operating transportation equipment used wholly for one purpose may be charged directly to the account appropriate for such purpose.

OPTIONAL

805. Building Service

A. This account, when used, shall include the expenses of operating offices and buildings, whether owned or rented from others. (See also § 197.33.)

B. This account shall be cleared by apportionment to the operating expense and other accounts on the basis of the use made of such property.

ITEMS (See section 197.14)

Cleaning	Light
Communication service	Pay and expenses of superintendents
Elevator service	Power
Fuel	Refrigeration
Heat	Towels
Injuries and damages	Water
Janitor service	

Note: This account shall be kept so as to show the cost of building service separately for each building operated.

807. Engineering--Clearing

A. This account, when used, shall include the pay and expenses of officers, engineers, their assistants, and others employed in engineering duties, except when chargeable directly to specific work on construction, operation, or repairs. (See also §§ 197.10 and 197.33.)

B. This account shall be cleared by apportionment to the appropriate accounts for construction, repairs, or operation in electric or other departments on the basis of service rendered, determined by the time devoted to particular work.

ITEMS (See § 197.14)

Books and periodicals	Repairs to instruments and office
Building service (but not rent)	furniture and equipment
Engineers, assistants, and other employees	Stationery and printing
Office supplies	Supplies, engineering
Postage	Tools and instruments of small value and short life
	Transportation

808. General Tools and Implements--Clearing

A. This account, when used, shall include the cost of supervision, labor, and expenses applicable to the operation of general construction and repair equipment the book cost of which is included in account 387, General Tools and Implements. (See also § 197.33.)

B. This account shall be cleared by apportionment to property, operating expense, or other accounts on the basis of use of such equipment.

ITEMS (See section 197.14)

- Building service (but not rent)
- Communication service
- Depreciation of general tools and implements (account 387)

Electric service

Fuel and lubricants for equipment, including sales taxes thereon

Injuries to persons and damages to property of others in the operation of general tools and implements, including cost of insurance protection therefor

Insurance

License fees for equipment

Operation of buildings housing general tools and implements

Pay of operators

Rent of general tools and\* implements

\* So in original. "an" should be "and"

Repairs to general tools and implements

Shop expenses

Note A: Records supporting this account shall show the extent and nature of usage of each unit of equipment for which charges are handled through this account.

Note B: Expenses incurred in operating general tools and implements used wholly in work chargeable to one account may be charged directly to such account.

Note C: If this account is not used, repairs to and depreciation of property carried in account 387, General Tools and Implements, shall be included in account 787, Repairs to General Property, and account 788, Depreciation of General Property, respectively.