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§ 183.1 Purpose of operating revenue accounts

The operating revenue accounts (1600 to 1615) are designed to show the amounts of money which the utility becomes entitled to receive from furnishing electric utility service and from service incidental thereto, including amounts for services rendered but not yet billed when the utility exercises its option to record in account 1133, Miscellaneous Current and Accrued Assets, such accrued electric revenue.

§ 183.2 Basis of credit to operating revenue accounts

Credits to the operating revenue accounts shall be made on the basis of the net tariff rates. Discounts forfeited for delayed payments shall be credited to account 1612, Customers' Forfeited Discounts. Corrections of overcharges and overcollections theretofore credited, authorized abatements and allowances, and other corrections shall be charged to the revenue accounts to which they relate.

§ 183.3 Commission on electric sales

If the utility distributes all or a part of its electric energy through an agent but the sales are made to customers under rate schedules filed by the utility, the utility shall credit its revenue accounts with the full amount of sales to customers. The commission paid to the agent shall be charged to account 1800, Other General Expenses, and any distribution expenses charged by the agent shall be debited to the appropriate expense accounts. Agents shall credit the amount of commissions earned to operating revenue account 1615, Miscellaneous Electric Revenues.

§ 183.4 Electricity supplied without direct charge

Electricity supplied to municipalities, or to other governmental units, without charge, in accordance with franchise and similar requirements, shall be charged to account 1805, Franchise Requirements, and credited concurrently to account 1806, Duplicate Charges--Credit.

§ 183.5 Electricity or steam used by utility

(a) If the utility desires to charge the appropriate accounts in any of its electric operations with the cost of electricity or steam used from its own supply, the credit therefor shall not be made to operating revenue accounts, but to account 1806, Duplicate Charges--Credit.

(b) Electricity supplied by the utility to other departments shall be credited to account 1607, Interdepartmental Sales; steam supplied from the production plant to other departments shall be credited to account 1742, Steam Produced--Credit, except when such production of electricity or steam is treated as a joint facility, in which case it shall be accounted for as provided in accounts 1808-1809.

§ 183.6 Supporting records

Each utility shall so keep the records supporting the entries to each electric sales account that it can furnish (a) the name of each customer, (b) the quantity of electric energy furnished to each customer, (c) the amount charged for electric energy furnished each customer, and (d) the service classifications under which the charge is made. Each utility shall also be prepared to report upon request, within a reasonable time, for each month or other billing period and for each year, the quantity of energy sold and the charges therefore, by service classifications.

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ASSETS AND OTHER DEBITS

UTILITY PLANT

Note A: In accounts 1101, 1102, and 1104 for electric plant are to be carried the totals of the detailed plant accounts 1301-1390 in which the utility's plant is required to be carried on the utility's plant ledger.

Note B: If the utility is engaged in more than one utility service, such as electric, gas or steam, and any of its utility plant is used in common for several utility services or for other services, the original cost of such plant may be carried in a separate subdivision of the plant accounts, whereto the word "Common" shall be suffixed to designate such property as common.

D 1100. Electric Plant

This account shall include items provided for in accounts 1101 to 1104, below.

C 1101. Electric Plant in Service

This account shall include the original cost of electric plant owned and used and useful by the utility in the service of the public in its electric operations. The original cost of such plant not owned, including additions to and betterments of property leased from others, shall be included in separate subdivisions of this account. (See electric plant instruction § 182.8.)

C 1102. Electric Plant Leased to Others

This account shall include the original cost of electric plant owned by the utility and leased to others as operating units or systems when the lessee has exclusive possession, such as an entire production plant, distribution system, or office building.

#### C 1103. Construction Work in Progress

This account shall include the expenditures on electric plant in process of construction but not ready for service at the date of the balance sheet.

#### C 1104. Electric Plant Held for Future Use

This account shall include the original cost of electric plant owned and held for future use in electric service under a definite plan for such use. This includes property acquired but never used by the utility in electric service, but held for such service in the future under a definite plan, and property previously used by the utility in electric service, but retired from such service and held pending its reuse in electric service in the future under a definite plan.

Note: Materials and supplies and transformers and meters held in reserve shall not be included in this account.

#### D C 1105. Electric Plant Acquisition Adjustments

A. With respect to electric plant acquired prior to the effective date hereof and still in service at that date, this account shall include (unless otherwise ordered by this commission) the difference between the amount carried on the books therefor as of the effective date hereof, and the original cost thereof when such difference is not clearly includible in any other account.

B. With respect to electric plant acquired after December 31, 1938, as an operating unit or system by purchase, merger, consolidation, liquidation or otherwise, this account shall include (unless otherwise ordered by this commission) the difference between (a) the cost to the accounting utility of such electric plant, and (b) the original cost thereof less credit representing contributions (see par. B of account 1265, Contributions in Aid of Construction, (infra) and electric plant instruction § 182.1, subd. (e)), less the amount or amounts credited to the depreciation reserves of the accounting utility at the time of acquisition with respect to such electric plant and less the amount in account 1265, Contributions in Aid of Construction.

C. Whenever practicable, this account shall be subdivided by Class C utilities according to the character of the amounts included herein and so as to show the amounts applicable to electric plant in service, electric plant leased to others, and electric plant held for future use.

D. A record shall be kept of the amounts in this account for each property acquisition after the effective date hereof.

E. With respect to the amount applicable to electric plant acquired prior to the effective date hereof, and to each property acquisition thereafter, the utility shall notify the commission as to its program for depreciation, amortization, or other disposition of the amounts included in this account.

#### D C 1106. Unclassified Electric Plant

A. Pending the classification of electric plant at the effective date of this system of accounts in accordance with the accounts prescribed herein, as provided in paragraph B hereof, each utility shall maintain its present accounts with respect to such property which shall be summarized under the title of this account.

B. Not later than six months after the effective date hereof, each utility in Class C shall submit to the commission the entries it proposes to make to carry out the provisions of this system of accounts with reference to the original cost of its electric plant as of the effective date hereof. It shall submit also a comparative balance sheet showing the accounts and amounts appearing in its books as of the effective date of this system of accounts and the accounts and respective amounts as of the same date after the proposed entries shall have been made.

C. Nothing herein stated shall be taken as permitting the recording as part of the original cost of electric plant of amounts charged in previous years to operating expenses, operating taxes or other income or surplus accounts.

D. There shall also be included in a separate subdivision of this account:

(1) the cost of electric plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation or otherwise, pending the distribution thereof to the appropriate accounts in accordance with orders of this commission; and

(2) the credit for the sale price of electric plant constituting an operating unit or system sold, conveyed or transferred to another through sale, merger, consolidation, or otherwise, pending the completion of the accounting for the transaction and an order of this commission for the accounting of such sale.

#### D C 1108. Other Utility Plant

A. There shall be included under this caption the balances in accounts for utility plant other than electric plant, as for example, gas, steam, etc. B. A separate account shall be kept for each utility department.

Note: In the case of utility services for which systems of accounts are prescribed by this commission, the appropriate accounts in such systems shall be used.

### INVESTMENT AND FUND ACCOUNTS

#### D C 1110. Other Physical Property

A. This account shall include the cost to the utility of land, structures, and equipment owned by the utility and not includible in utility plant accounts (1100-1108).

B. The records supporting the entries to this account shall be so kept that the utility can furnish information as to the nature and cost of each kind of property, from whom it was acquired, its location, and its use.

#### D C 1114. Miscellaneous Investments and Special Funds

A. This account shall include assets, such as:

(1) Investments in securities issued or assumed by others;

(2) Advances to others, except advances to associated companies (see account 1115) including interest accrued thereon; and

(3) Assets held in sinking funds, depreciation funds, and other special funds, such as:

(a) Cash

(b) Securities issued by others or other assets, at cost, except as provided in paragraphs C and D

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

(d) Securities of the utility issued to trustees without intervening sale, at face value

(4) Special deposits for more than one year, such as for rent, performance of contracts, etc.

B. The records shall be so kept as to show the amount of each investment and the investment advances to each person.

C. Except as otherwise provided, the investments included in this account shall be recorded at cost at the time of acquisition. Cost does not include any amount paid for accrued interest or dividends. The utility may write down the cost of any investment in recognition of a decline in the value thereof, and if there be no reasonable prospect of substantial value it shall be written off or written down to a nominal value. Fluctuations in market value shall not be recorded but a permanent impairment in the value shall be recognized in the accounts. When investments are written off, or written down the amount of the adjustment shall be charged to account 1538, Miscellaneous Income Deductions, or to account 1414, Miscellaneous Debits to Surplus, except that if a reserve has been created therefor, it shall be to such reserve account.

D. If securities with a fixed maturity date are purchased at a discount or at a premium, such discount or premium may be written off over the remaining life of the securities through periodic debits or credits to this account with concurrent credits or debits to account 1524, Interest Revenues.

Note A: Securities pledged shall be so indicated.

Note B: This account shall not include advances to or open accounts with associated companies. (See account 1115, Owing by Associated Companies.)

### OWING BY ASSOCIATED COMPANIES

#### D C 1115. Owing by Associated Companies

A. This account shall include debit balances in all accounts with associated companies, and notes and drafts upon which associated companies are liable, together with interest thereon.

B. This account shall be so kept as to show for each associated company the amounts receivable on notes separately from amounts receivable on open accounts, and the due date of each item.

Note: The face amount of notes receivable from associated companies discounted or sold without releasing the utility from liability as endorser thereon, shall not be credited to this account, but to account 1221, Notes Receivable Discontinued.

#### CURRENT AND ACCRUED ASSETS

#### D C 1120. Cash and Working Funds

This account shall include cash on hand and in bank and cash advanced to officers, agents, employees, and others as petty cash or working funds. Special cash deposits for payment of interest, dividends, or other special purposes shall be included in this account in separate subdivisions which shall specify the purpose for which each such special deposit is made.

Note: Deposits for more than one year shall not be charged to this account but to account 1114, Miscellaneous Investments and Special Funds.

#### D C 1124. Notes Receivable

This account shall include the cost of all collectible obligations in the form of notes receivable and similar evidences (except interest coupons) of money due on demand or within one year from the date of issue, which are not includible in other accounts.

Note A: Notes receivable from associated companies shall not be included herein but in account 1115, Owing by Associated Companies.

Note B: When notes receivable are discounted, sold or transferred, unless transferred without recourse, an entry shall be made debiting account 1120, or other applicable accounts, and crediting account 1221, Notes Receivable Discounted. If notes receivable are placed in a bank for collection, no entry need be made therefor in the general ledger, but a memorandum entry to state the fact shall be made to the note record.

#### D C 1125. Accounts Receivable

A. This account shall include amounts due on open accounts from customers for utility services (including merchandising, jobbing and contract work) and from others than customers, except amounts due from associated companies.

B. Utilities shall subdivide this account to show separately: (1) amounts due from customers, (2) amounts due from officers and employees (except working fund advances which are includible in account 1120, but including amounts due for utility service), and (3) amounts due from others.

#### D C 1131. Materials and Supplies

A. This account shall include the cost of unissued small tools and unapplied materials and supplies (except line transformers and meters). The cost shall include, when practicable, the purchase price at the point of free delivery, plus customs duties, excise and other taxes on purchases, freight, insurance, costs of inspection, special tests prior to acceptance, loading and unloading, transportation and other directly assignable charges.

B. If inward transportation charges on materials are not included as a part of the cost of the particular materials to which they relate, they shall be charged to account 1810, Stores, Shop and Laboratory Expenses, unless account 1902, Stores Expenses--Clearing, is used, in which case they shall be therein included.

C. Cash or other discounts on materials shall be deducted, when practicable, in determining the cost of the particular material, or credited to the account to which the material is charged. Discounts which are not so handled shall be credited to account 1810, Stores, Shop and Laboratory Expenses, unless account 1902, Stores Expenses--Clearing, is used, in which case they shall be therein included.

D. Materials recovered in connection with construction, maintenance, or the retirement of property which are not intended to be reused, shall be designated as "scrap" and charged to this account at amounts which it is estimated will be realized therefrom; if they are intended to be reused, they shall be charged to this account at the average price at which like materials are carried, except that large individual items of equipment, such as substation equipment, shall be carried at original cost.

E. When materials are issued for use, this account shall be credited with either the actual cost of the material issued or the average cost of all items of the same kind and size, not including "scrap" material. Scrap material shall be credited to this account when sold or otherwise disposed of at the amount at which such materials were charged into the account. Account 1250, Reserve for Depreciation of Utility Plant, shall be adjusted for the difference between the amount charged hereto and the amount received therefor if material was recovered from retirement of property, and the appropriate maintenance account shall be adjusted if such material was recovered on maintenance work.

F. Inventories of materials, supplies, fuel, etc., shall be taken at least annually and the necessary adjustments shall be made to bring this account into harmony with the actual inventories. In effecting the adjustments, differences shall be equitably apportioned among the accounts to which materials have been charged since the preceding inventory, or included in account 1810, Stores, Shop and Laboratory Expenses, unless account 1902, Stores Expenses--Clearing, is used, in which case they shall be therein included.

Note: 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.

#### D C 1132. Prepayments

A. When a payment is made in advance of the period to which the expenditure applies, the amount thereof shall be charged to this account. Each month or other accounting period to which the item applies an entry shall be made crediting this account and charging the appropriate account with its proper portion of the prepayment.

B. Representative items includible herein are prepaid insurance, rents (see electric plant instruction § 182.8), taxes and interest. The account shall be so kept or supported as to disclose the balance of each class of prepayments.

Note: For example, an insurance premium amounting to \$ 1200 is paid on a policy running for a year in the future. The amount of the premium shall be charged to this account, and each month or other accounting period, entries shall be made transferring from this account to the appropriate operating expense or other account the portion of the premium which is applicable to the period.

#### D C 1133. Miscellaneous Current and Accrued Assets

This account shall include the following classes of items:

- (1) Interest, dividends and rents receivable, except from associated companies;
- (2) Estimated amounts accrued to the utility for service rendered but not billed as of the end of any accounting period; (this is optional.)
- (3) Cash surrender value of life insurance policies under which the utility is the beneficiary; and (See note to account 1800, Other General Expenses.)
- (4) Other assets not includible in accounts 1120 to 1132, or 1115, which are readily convertible into cash or are held for current use in operations or construction.

#### DEFERRED DEBITS

##### D C 1140. Unamortized Debt Discount and Expense

A. Discount on bonds or other debt is the excess of the face value of the securities plus interest accrued at the date of sale over the cash value of the consideration received from their sale; when the amount (or cash value of the consideration) received exceeds the face value and accrued interest, the excess is the premium. Expenses incurred in connection with the issue are items such as fees for drafting mortgages, taxes and fees for issuing and recording, commissions or fees paid for selling bonds, cost of obtaining governmental authorization, etc.

B. When discount and expenses are incurred on an issue of long-term debt (see §180.1 (a) (8)) or when expenses on an issue are greater than the premiums on such issue, the amount thereof shall be included in this account. A separate subdivision shall be kept for each class and series of long-term debt.

C. The discount and expense (or expense less premium if a net debit) on each issue shall be written off over the life of the issue to which it applies under a plan that will equitably distribute the amounts over the life of the bonds or other long-term debt. This may be done by monthly charges to account 1531, Amortization of Debt Discount and Expense, and credits to this account. The utility may, however, charge off discount and expense (or expenses less premium if a net debit) over a shorter period by charges to account 1414, Miscellaneous Debits to Surplus.

D. When bonds or other long-term debt are reacquired, any balance included in this account representing discount and expense (or expense less premium if a net debit) on the reacquired debt shall be credited to this account and debited to account 1414, Miscellaneous Debits to Surplus. The difference between the face value of the bonds or other long-term debt and the amount for which they were reacquired shall be carried to Surplus. (See also account 1153, Reacquired Long-term Debt.)

#### D C 1146. Miscellaneous Deferred Debits

A. This account shall include the following classes of items:

(1) Expenditures for preliminary surveys, plans, investigations, etc., made for the purpose of determining the feasibility of projects under contemplation. If construction results, this account shall be credited with the amount applicable thereto and the appropriate electric plant accounts shall be charged with an amount which does not exceed the expenditures which may reasonably be determined to contribute directly and immediately and without duplication to electric plant. If the work is abandoned, the charge shall be to account 1538, Miscellaneous Income Deductions, or account 1414, Miscellaneous Debits to Surplus, unless otherwise authorized or directed by this commission.

(2) Extraordinary property losses which require abandonment or retirement of property in advance of adequate provision therefor through reserves or otherwise, such as destruction by floods, condemnation for public use, etc. When such losses are incurred the utility shall make application to this commission to prescribe the accounting therefor and shall submit all the relevant facts concerning the case.

(3) Undistributed balances in clearing accounts (see accounts 1901 to 1905) at the date of the balance sheet. Balances in clearing accounts shall be substantially cleared not later than the end of the calendar year unless items held therein relate has future period.

(4) Balances representing expenditures for work in progress other than on utility plant. This includes jobbing and contract work in progress.

(5) Other debit balances, the proper final disposition of which is uncertain, and unusual or extraordinary expenses, not included in other accounts, which are in process of being written off.

B. The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each deferred debit included herein.

#### CAPITAL STOCK EXPENSE

##### D C 1151. Capital Stock Expense

A. There shall be reported by this caption all balances in the accounts for expenses incurred in connection with the issuance and sale of capital stocks.

B. The accounts hereunder shall be so kept as to show separately the expense on each class and series of capital stocks.

C. Credits made to this account to write off capital stock expense (if the utility desires to write off such expense) shall be offset by debits to account 1414, Miscellaneous Debits to Surplus.

D. When capital stock is reacquired, this account shall be credited and account 1414, Miscellaneous Debits to Surplus, shall be charged with the amount of expenses included herein applicable to such reacquired stock.

#### REACQUIRED SECURITIES

#### D C 1152. Reacquired Capital Stock

A. This account shall include the par value of capital stock which had been issued by the utility and is reacquired by it and not retired or canceled, but is held by the utility. Stock without par value shall be included in this account at the proportionate amount at which the particular class and series of stock is included in account 1200, Common Capital Stock, or account 1201, Preferred Capital Stock.

B. The difference between the amount paid for capital stock reacquired and the amount at which such reacquired stock is charged to this account in accordance with paragraph A, above, shall be carried to account 1401, Miscellaneous Credits to Surplus, or account 1414, Miscellaneous Debits to Surplus, as appropriate, to which shall also be transferred any premium or expense applicable to the capital stock reacquired.

C. When reacquired capital stock is retired or canceled, this account shall be credited and account 1200 or 1201, as applicable, shall be charged with the amounts at which such stock is included therein. When reacquired capital stock is resold by the utility (see Public Service Law, § 69), the par value (or amount included in this account for stock without par value) of the stock resold shall be credited to this account.

D. This account shall be so kept or supported as to show the amount herein applicable to each class and series of stock.

#### D C 1153. Reacquired Long-term Debt

A. This account shall include the par or face value of bonds or other long-term debt which had been issued or assumed by the utility and is reacquired by it and held under conditions which do not permit the utility to treat such securities as paid, retired, or canceled, but which permit the resale of the securities (see Public Service Law, § 69). It shall not include securities which are held by trustees in sinking or other funds.

B. The difference between the amount paid for bonds or other long-term debt reacquired and their par or face value shall be debited or credited, as appropriate, to account 1414, Miscellaneous Debits to Surplus, or 1401, Miscellaneous Credits to Surplus, to which shall also be transferred any discount, premium or expense applicable to the reacquired bonds or other long-term debt.

C. When reacquired bonds or other long-term debt are resold by the utility (see Public Service Law, § 69), the par or face value thereof shall be credited to this account. When reacquired bonds or other long-term debt are retired or canceled, this account shall be credited and the appropriate long-term debt account shall be charged with the par or face value thereof.

D. This account shall be so kept or supported as to show the amount herein applicable to each class and series of long-term debt.

### LIABILITIES AND OTHER CREDITS CAPITAL STOCK

#### D C 1200. Common Capital Stock

#### D C 1201. Preferred Capital Stock

A. These accounts shall include the par value of capital stock with par value and the cash value of the consideration received for non-par stock, of each class of capital stock which has been issued and is outstanding, and also the capital stock in account 1152, Reacquired Capital Stock.

B. When the actual cash value of the consideration received is more than the par value of any stock having par value, the excess shall be credited to account 1203, Premiums and Assessments on Capital Stock.

C. When capital stock is retired and canceled, these accounts shall be charged with the amount at which such stock is carried herein.

D. A separate ledger account, with a descriptive title, shall be kept for each class and series of stock. The supporting records shall show the shares in the hands of the public and those reacquired by the company and not resold.

Note A: When a levy or assessment, except a call for payment on subscriptions, is made against holders of capital stock, the amount collected upon such levy or assessment on capital stock with par value shall be credited to account

1203, Premiums and Assessments on Capital Stock, and a levy or assessment on capital stock without par value shall be included in these accounts.

Note B: No entries, other than those covered by the above provisions and those to record liquidating dividends, shall be made in any account for non-par stocks, except upon order of this commission.

#### D C 1203. Premiums and Assessments on Capital Stock

A. This account shall include the excess of actual cash value of the consideration received over the par value and accrued dividends, of par value stock issue together with assessments against stockholders representing payments required in excess of par value. (Assessments on stock without par value shall be included in account 1200 or 1201, as appropriate.)

B. A separate account shall be kept for premiums and assessments on each class and series of par stock.

C. When capital stock is reacquired or retired, the amount in this account with respect to the shares of such stock reacquired or retired shall be debited hereto.

#### D C 1205. Installments Received on Capital Stock

A. This account shall include the amount of installments received on capital stock subscribed for on a partial or installment payment plan.

B. As subscriptions are paid in full and certificates issued, this account shall be charged and account 1200, Common Capital Stock, account 1201, Preferred Capital Stock, or account 1152, Reacquired Capital Stock (if reacquired stock is resold), credited with the par value of such capital stock having par value, and with the consideration received for capital stock without par value. Premiums on capital stock with par value shall be transferred to account 1203, Premiums and Assessments on Capital Stock.

Note: The records supporting the entries to this account shall be so kept that the corporation can furnish the name and address of each subscriber, the amount and kind of capital stock subscribed, the date of subscription, the date that each payment is due and the date that each is paid, the nature of each payment (whether cash or other consideration) and any other information that is necessary to make the history of the subscription complete.

#### NON-CORPORATE PROPRIETORSHIP

##### D C 1206. Non-corporate Proprietorship

This account shall include the investment in an unincorporated utility by the proprietor thereof, and shall be charged with all withdrawals from the business by its proprietor. At the end of each calendar year the net income for the year as developed in the income account shall be transferred to this account. There shall also be entered in this account such items as in corporate organizations are handled through Surplus. (See optional accounting procedure provided in note C hereunder.)

Note A: Amounts payable to the proprietor as just and reasonable compensation for services performed shall not be charged to this account but to appropriate operating expense or other accounts.

Note B: When the utility is owned by a partnership, a separate account shall be kept to show the net equity of each member therein and the transactions affecting the interest of each such partner.

Note C: This account may be restricted to the amount considered by the proprietor to be the permanent investment in the business, subject to change only by additional investment by the proprietor or the withdrawal of portions thereof not representing net income. When this option is taken the surplus accounts shall be maintained and entries thereto shall be made in accordance with the texts thereof.

#### LONG-TERM DEBT

##### D C 1210. Bonds

This account shall include the face value of unmatured bonds which have been issued and have not been retired or canceled; also the face value of such bonds issued by others the payment of which has been assumed by the utility. The account shall be so kept as to show the face value of each class and series outstanding.

Note A: The accounting for discount, expense, and premium on long-term debt, is set forth in accounts 1140, Unamortized Debt Discount and Expense, and 1240, Unamortized Premium on Debt.

Note B: Matured long-term debt shall be included in account 1225, Matured Long-term Debt.

#### D C 1211. Receivers' Certificates

A. This account shall include the face value of certificates of indebtedness issued by receivers in possession of the property and acting under the orders of a court.

B. A separate subdivision shall be kept for each issue of receivers' certificates.

Note: Matured receivers' certificates shall be included in account 1225, Matured Long-term Debt.

#### D C 1213. Miscellaneous Long-term Debt

A. This account shall include until maturity all notes or other obligations (except advances from associated companies) having a life of more than one year after issue or assumption. This includes such items as real estate mortgages, executed or assumed, assessments for public improvements due later than one year after date, etc.

B. Separate accounts shall be kept for each class of obligation, and records shall show separately for each class all details as to date of obligation, date of maturity, interest dates and rates, security for the obligation, etc.

Note: Matured long-term debt shall be included in account 1225, Matured Long-term Debt.

### DEBTS TO ASSOCIATED COMPANIES

#### D C 1214. Debts to Associated Companies

This account shall include all amounts owed to associated companies on notes, drafts, acceptances or other similar evidences of indebtedness and open accounts payable, and also interest on obligations included herein, and shall be so kept as to show separately the amount payable to each associated company on (1) notes, (2) open accounts.

### CURRENT AND ACCRUED LIABILITIES

#### D C 1220. Notes Payable

This account shall include the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness to other than associated companies, payable on demand or which by their terms are payable within a time not exceeding one year from the date of issue.

#### D C 1221. Notes Receivable Discounted

This account shall include the face amount of notes receivable discounted or sold without releasing the utility from liability as endorser thereon.

#### D C 1222. Accounts Payable

This account shall include all open accounts payable by the utility within one year and which are not provided for in other accounts.

#### D C 1224. Dividends Declared

This account shall include the amount of dividends which have been declared but not paid. Dividends shall be credited to this account when they become a liability.

#### D C 1225. Matured Long-term Debt

When any debt carried in account 1210, Bonds, 1211, Receivers' Certificates, or 1213, Miscellaneous Long-term Debt, matures but is not paid or for which no specific agreement for extension of the time of payment is made, it shall be transferred to this account; bonds called for redemption but not presented, shall also be included herein.

#### D C 1227. Customers' Deposits

This account shall include all amounts deposited with the utility by customers as security for the payment of bills.

#### D C 1228. Taxes Accrued

A. This account shall be credited each month with the amount of taxes applicable thereto when payment of such taxes is to be made in a subsequent period. Concurrently, debits shall be made to the appropriate accounts for tax charges. In the absence of precise information as to the amount of the tax the monthly credits to this account will necessarily be based upon estimates; when the actual amount of the tax becomes known, the amounts of the periodic accruals shall be adjusted so as to include as nearly as can be determined in each year the taxes applicable thereto.

B. The records supporting the entries to this account shall be so kept that the utility can furnish information as to the amount of each class of taxes accrued, the basis for each tax accrual, the accounts to which charged, and the amount of each class of taxes paid.

#### D C 1229. Interest Accrued

This account shall include the amount of interest accrued on long-term debt and other liabilities of the utility, except interest on debt to associated companies, which shall be included in account 1214, Debts to Associated Companies, and except interest which is added to the principal of the debt on which incurred.

Note: This account shall be so kept as to show the amount of matured interest on each obligation.

#### D C 1230. Other Current and Accrued Liabilities

This account shall include liabilities of a current character (those which are either matured at the date of the balance sheet or become due on demand or within one year from date of issuance or assumption except bonds, receivers' certificates, and debts to associated companies) or which have accrued but are not payable at the date of the balance sheet, other than those for which accounts 1220 to 1229 above have been provided.

### DEFERRED CREDITS

#### D C 1240. Unamortized Premium on Debt

A. This caption shall include credit balances representing the premiums less expenses, when a net credit, on each issue of long-term debt, including receivers' certificates. (See account 1140 for definitions of premium and debt expenses.)

B. The net credit of the premium less expense on each issue shall be written off over the life of the issue under a plan that will equitably distribute the amounts over the life of the securities by debits to this account and credits to account 1532, Amortization of Premium on Debt-Credit.

C. When bonds or other long-term debt are reacquired, any balance included in this account representing premium (less expense) on the debt shall be wiped out by a debit to this account and a credit to account 1401, Miscellaneous Credits to Surplus. (See also account 1153, Reacquired Long-term Debt.)

#### D C 1241. Customer Advances for Construction

A. This account shall include such advances by customers for construction as are to be refunded wholly or in part. When a customer is refunded the entire amount to which he is entitled according to the agreement or rule under which the advance was made, the balance, if any, remaining in this account shall be debited hereto and credited to the electric plant accounts to which the cost of the property was charged. B. Separate subdivisions shall be kept for each utility service.

#### D C 1242. Other Deferred Credits

This account shall include advanced billings and receipts and other deferred credit items not provided for elsewhere; also amounts which can not be entirely cleared or disposed of until additional information has been received, or which should be credited to income or to surplus accounts in the future.

### RESERVES

#### D C 1250. Reserve for Depreciation of Utility Plant

A. This account shall be credited with the following:

(1) Amounts representing currently accruing depreciation on utility plant (See general instruction § 181.8.);

(2) Amounts charged to account 1414, Miscellaneous Debits to Surplus, for past accrued depreciation of utility plant;

(3) Accrued depreciation upon utility properties acquired as operating units or systems;

(4) Amounts charged upon approval of the commission to account 1146, Miscellaneous Deferred Debits.

B. Class C utilities shall subdivide this account as follows:

C 1250.1 Reserve for Depreciation of Electric Plant in Service

C 1250.2 Reserve for Depreciation of Electric Plant Leased to Others

C 1250.4 Reserve for Depreciation of Electric Plant Held for Future Use  
C 1250.6 Reserve for Depreciation of Unclassified Electric Plant

C 1250.8 Reserve for Depreciation of Other Utility Plant

C. Class C utilities shall keep further subdivisions of the foregoing accounts to show the amounts applicable to each electric plant account (1302-1390); and also subdivisions for "Common" plant.

D. This account shall be charged with the amount carried on the books for plant retired, including intangible plant having a terminable life as provided in paragraph F hereunder (except items in account 1301, Organization) and with the cost of removal, and shall be credited with the salvage realized and any other amounts recovered, such as insurance. (See also par. (2) of account 1146, Miscellaneous Deferred Debits.)

E. The reserves shall be so kept as to show separately for each subdivision (1) the amount of the accrual for depreciation, (2) the amount at which property retired was carried on the books, (3) cost of removal, (4) salvage, and (5) other items, including recoveries from insurance.

F. This account shall include also the provision for writing off the cost of intangible plant having a terminable life (except items in account 1301, Organization). When any franchise, license, patent right, limited-term interest in land or land right expires, is sold, relinquished or otherwise retired from service, this account shall be charged with the amount previously credited hereto in respect to such property. The amount included in accounts 1101-1104 and 1106, for property so retired, less the amount chargeable to this account, and less the proceeds realized shall be included in the appropriate surplus account.

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 this commission.

D C 1252. Reserve for Amortization of Electric Plant Acquisition Adjustments

This account shall be credited (or debited) with amounts which are charged (or credited) to account 1505, Amortization of Electric Plant Acquisition Adjustments, to account 1538, Miscellaneous Income Deductions, or to Surplus, for the purpose of providing for the extinguishment of amounts carried in account 1105, Electric Plant Acquisition Adjustments.

D C 1254. Reserve for Uncollectible Accounts

This account shall be credited each month with estimated amounts required to provide for losses on accounts receivable which may become uncollectible, and also with collections on accounts previously charged hereto. Concurrent charges shall be made to account 1783, Uncollectible Accounts, for amounts applicable to electric operations, and to corresponding accounts for other operations.

Note: Accretions to this reserve shall not be made in excess of a reasonable provision against losses of the character provided for.

D C 1255. Reserve for Insurance, Injuries and Damages

A. This account shall be credited, and account 1798, Insurance, Injuries and Damages, or other appropriate account, charged each month with amounts which the utility estimates are required for self-insurance against losses through accident, fire, flood, or other hazards to its own property or property leased from others, and for 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. A schedule of risks covered by this reserve shall be maintained, giving a description of the property involved, the risks covered, and the rates used.

B. Charges shall be made to this account for:

(1) Losses to property owned or leased from others, covered by selfinsurance

(2) Liability for any injury or damage which 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 of the liability pending its payment shall be credited to the appropriate liability account.

Note A: Accretions to this reserve shall not be made in excess of a reasonable provision against losses of the character provided for.

Note B: Recoveries or reimbursements for losses charged to this account shall be credited hereto.

#### D C 1258. Miscellaneous Reserves

A. This account shall include all reserves which are not provided for elsewhere in this system of accounts, such as reserves for pensions, accident and death benefits, relief or other provident purposes, etc., and for depreciation of property carried in account 1110, Other Physical Property.

B. This account shall be so kept as to show the amount of each separate reserve and the nature and amounts of the debits and credits hereto.

#### CONTRIBUTIONS IN AID OF CONSTRUCTION

#### D C 1265. Contributions in Aid of Construction

A. This account shall include those contributions for construction purposes made prior to January 1, 1947 in cash, services or property by States, municipalities or other governmental agencies, individuals and others which have not been transferred to other accounts.

B. Amounts in this account at December 31, 1946 which are refundable wholly or in part shall be transferred to account 1241, Customer Advances for Construction. Unless otherwise ordered by the commission, non-refundable amounts in this account at December 31, 1946 which can be identified with property in electric plant accounts shall be transferred to the appropriate accounts. Amounts not identified with property in electric plant accounts may be distributed to electric plant accounts under a plan approved by the commission; otherwise the amounts remain in this account. Except as provided herein, amounts in this account shall not be transferred to any other account without the approval of the commission.

C. The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose of each contribution, the conditions, if any, upon which it was made, and the amount of contributions from (a) States, (b) municipalities, (c) customers, and (d) others.

D. This account shall be subdivided according to departments (electric, gas, etc.) of the utility.

#### SURPLUS

#### D C 1271. Surplus

This account shall include the total of balances of accounts 1400 to 1414. The balance may be either a credit or a debit.

#### ELECTRIC PLANT ACCOUNTS

#### INTANGIBLE PLANT

#### D C 1301. Organization

#### D C 1302. Franchises and Consents

#### D C 1303. Miscellaneous Intangible Plant

#### PRODUCTION PLANT

- D C 1310. Land and Land Rights
- D C 1311. Structures and Improvements
- D C 1312. Steam Power Equipment
- D C 1322. Reservoirs, Dams and Waterways
- D C 1323. Hydraulic Power Equipment
- D C 1332. Internal Combustion Engine Power Equipment

#### TRANSMISSION AND DISTRIBUTION PLANT

- D C 1350. Land and Land Rights
- D C 1351. Structures and Improvements
- D C 1352. Station Equipment
- D 1354. Overhead Lines
  - C 1354.1 Poles, Towers and Fixtures
  - C 1354.2 Overhead Conductors and Devices
  - C 1354.3 Overhead Services
- D 1356. Underground Lines
  - C 1356.1 Underground Conduit
  - C 1356.2 Underground Conductors and Devices
  - C 1356.3 Underground Services
- D C 1358. Line Transformers
- D C 1360. Meters
- D C 1361. Installations on Customers' Premises
- D C 1362. Leased Property on Customers' Premises
- D C 1363. Street Lighting and Signal Systems

#### GENERAL PLANT

- D C 1370. Land and Land Rights
- D C 1371. Structures and Improvements
- D C 1372. Office Furniture and Equipment
- D C 1373. Transportation Equipment
- D C 1379. Other General Equipment
- D C 1390. Other Tangible Property

#### INTANGIBLE PLANT

- D C 1301. Organization

This account shall include fees paid to Federal or State governments for the privilege of incorporation and expenditures for organizing the corporation, partnership or other enterprise and putting it into readiness to do business.

#### ITEMS

1. Cost of obtaining certificates authorizing an enterprise to engage in the public utility business (except costs includible in account 1302 (§ 190.3))

2. Fees and expenses for incorporation
3. Fees and expenses for mergers or consolidations
4. Office expenses incident to organizing the utility
5. Stock and minute books and corporate seal

Note A: This account shall not include any discounts upon securities issued or assumed; nor shall it include any costs incident to negotiating loans, selling bonds or other evidences of debt, or expenses in connection with the authorization, issuance, or sale of capital stock.

Note B: Exclude from this account and include in the appropriate expense account the cost of preparing and filing papers in connection with the extension of the term of incorporation unless the first organization costs have been written off. When charges are made to this account for expenses incurred in mergers, consolidations, or reorganizations, amounts previously carried on the books of the corporations merged, consolidated, or reorganized shall not be included in this account.

#### D C 1302 Franchises and Consents

A. This account shall include only amounts paid to the Federal government, to a State or to a political subdivision thereof in consideration for franchises, consents, or certificates, running in perpetuity or for a specified term of more than one year.

B. If a franchise, consent, or certificate is acquired by assignment, the charge to this account in respect thereof shall not exceed the amount paid therefor by the utility to the assignor, nor shall it exceed the amount paid by the original grantee. Any excess of the amount actually paid by the utility over the amount above specified shall be charged to account 1414, Miscellaneous Debits to Surplus.

C. When any franchise has expired, the amount included therefor in this account shall be credited hereto.

Note: Annual or other periodic payments under franchises shall not be included herein but in the appropriate operating expense account.

#### D C 1303. Miscellaneous Intangible Plant

A. This account shall include the cost of patent rights, licenses, privileges, and other intangible property necessary or valuable in the conduct of the utility's electric operations and not specifically chargeable to any other account.

B. When any item included in this account is retired or expires, the amount included herein for the item shall be credited hereto.

C. This account shall be so kept that the utility can furnish full information with respect to the amounts included herein.

Note: Expenses incident to procuring franchises, consents, or certificates shall not be included herein.

#### PRODUCTION PLANT

Note: When generation is principally by a given type of motive power but supplemental equipment is available for emergency use, the production plant may, with the exception of facilities identified wholly with a particular type of motive power, be classified in accordance with the major use thereof.

#### D C 1310 Land and Land Rights

This account shall include the cost of land and land rights used in connection with electric generation. (See electric plant instruction § 182.4.)

#### D C 1311. Structures and Improvements

This account shall include the cost in place of structures and improvements used in connection with electric generation. (See electric plant instruction 182.5.)

#### D C 1312. Steam Power Equipment

This account shall include the cost installed of equipment in steam production plants used in generating electricity, such as:

(1) Furnaces, boilers, coal and ash handling equipment, steam and feed water piping, water supply and purification systems, boiler apparatus and accessories

(2) Steam engines, reciprocating or rotary, and their associated auxiliaries; generators, engine driven and turbine driven

(3) Accessory and other equipment in steam plants

Note A: Include office furniture and equipment, desks, chairs, etc., in account 1372, Office Furniture and Equipment.

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

#### D C 1322. Reservoirs, Dams and Waterways

This account shall include the cost in place of facilities used for impounding, collecting, storage, diversion, regulation and delivery of water used primarily for generating electricity. This includes reservoirs, dams and waterways with all construction appurtenant thereto, such as spillways, flash boards, gates, canals, tunnels, gate houses, fish ladders, intakes, flumes, penstocks, forebays, tailraces, and all other construction identified therewith.

Note: Include office furniture and equipment, desks, chairs, etc., in account 1372, Office Furniture and Equipment.

#### D C 1323. Hydraulic Power Equipment

This account shall include the cost installed of equipment in hydraulic power plants used in generating electricity, such as:

(1) Water wheels and hydraulic turbines and generators driven thereby and their accessories

(2) Accessory and other equipment in hydraulic power plants

#### D C 1332. Internal Combustion Engine Power Equipment

This account shall include the cost installed of equipment in internal combustion engine power production plants used in generating electricity, such as:

(1) Fuel handling and storage equipment, and gas producers and accessories devoted to the production of gas for use in internal combustion engines driving electric generators

(2) Diesel or other internal combustion engines with their auxiliaries

(3) Generators and their accessories

(4) Accessory and other equipment in internal combustion engine production plants

Note: Include office furniture and equipment, desks, chairs, etc., in account 1372, Office Furniture and Equipment.

### TRANSMISSION AND DISTRIBUTION PLANT

#### D C 1350. Land and Land Rights

This account shall include the cost of land and land rights used in connection with transmission or distribution operations. (See electric plant instruction § 182.4.)

#### D C 1351. Structures and Improvements

This account shall include the cost in place of structures and improvements used in connection with transmission or distribution operations. (See electric plant instruction § 182.5.)

#### D C 1352. Station Equipment

This account shall include the cost installed of transforming, conversion, and switching equipment, including transformer banks, etc., used for the purpose of changing the characteristics of electricity in connection with its transmission or distribution, and equipment for controlling the electric circuits.

Note A: The cost of rectifiers, series transformers and other special station equipment devoted exclusively to street lighting or signal system service shall not be included in this account, but in account 1363, Street Lighting and Signal Systems.

Note B: Include office furniture and equipment, desks, chairs, etc., in account 1372, Office Furniture and Equipment.

#### D 1354. Overhead lines

A. This account shall include the cost installed of overhead transmission and distribution lines, including:

(1) Poles, towers and appurtenant fixtures, such as anchors, guys, crossarms, brackets, guards, pins, pole steps, transformer racks and platforms, pole plates, etc.

(2) Wire and cable, circuit breakers, insulators, clamps, lightning arresters and ground wires, switches and other line devices, except transformers

(3) Services, i.e., conductors leading from last pole to the connection with customer's service outlet and wiring

B. The costs chargeable to this account include also such items as permits, municipal inspection, protection of street openings, etc.

C. Class C utilities shall subdivide this account as follows:

C 1354.1 Poles, Towers and Fixtures, to include plant provided for in item (1) above

C 1354.2 Overhead Conductors and Devices, to include plant provided for in item (2) above

C 1354.3 Overhead Services, to include plant provided for in item (3) above

Note A: The cost of plant used solely for street lighting or signal systems shall not be included in this account but in account 1363, Street Lighting and Signal Systems.

#### D 1356. Underground Lines

A. This account shall include the cost installed of underground transmission and distribution lines, including:

(1) Conduit, including foundations, manholes, lighting systems, sewer connections, ventilating equipment, etc.

(2) Wire and cable, circuit breakers, insulators, clamps, lightning arresters, switches, and other line devices, except transformers

(3) Services, i.e., conductors leading from distribution box or manhole to the connection with customer's service outlet or wiring

B. The costs chargeable to this account include also such items as permits, municipal inspection, protection of street openings, etc.

C. Class C utilities shall subdivide this account as follows:

C 1356.1 Underground Conduit, to include plant provided for in item (1) above

C 1356.2 Underground Conductors and Devices, to include plant provided for in item (2) above

C 1356.3 Underground Services, to include plant provided for in item (3) above

Note A: The cost of plant used solely for street lighting or signal systems shall not be included in this account but in account 1363, Street Lighting and Signal Systems.

Note B: The cost of cutting and replacing pavement, pavement base, and sidewalks, shall be included in a separate subdivision of this account.

#### D C 1358. Line Transformers

A. This account shall include the cost installed of overhead and underground distribution line transformers and pole type and underground voltage regulators owned by the utility, for use in transforming electricity to the voltage at which it is to be used by the customer, and the cost of transformers held in reserve. The installation cost includible herein is the first installation only.

B. When a transformer is permanently retired from service, the installed cost thereof shall be credited to this account.

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

#### ITEMS

1. Installation, labor of (first installation only)
2. Network protectors, installed
3. Transformers, line and network
4. Transformer cut-out boxes, installed
5. Transformer lightning arresters, installed
6. Voltage regulators

Note A: The cost of removing and resetting line transformers shall not be charged to this account but to account 1762, Operation Labor, or account 1765, Labor on Street Lighting and Signal Systems, as appropriate. The cost of line transformers used solely for street lighting or signal systems shall be included in account 1363, Street Lighting and Signal Systems.

Note B: When a line transformer is rewound or when the cores and coils are replaced, its entire cost shall be credited to this account and charged to the depreciation reserve. The rewound transformer (or one wherein cores and coils were replaced) shall be charged to this account at the cost of an equivalent new transformer. There shall then be credited to the depreciation reserve as salvage the difference between the cost of an equivalent new transformer and the cost of such rewinding or new cores and coils.

Note C: Minor items, such as cut-out boxes, network protectors, lightning arresters, etc., shall be included in this account only when in service or associated with a line transformer or voltage regulator held in reserve; otherwise they shall be carried in account 1131, Materials and Supplies.

#### D C 1360. Meters

A. This account shall include the cost installed of meters or devices and appurtenances thereto, for use in measuring the electricity delivered to its users, and the cost of meters held in reserve. The installation cost includible herein is the first installation only.

B. When a meter is permanently retired from service, the installed cost thereof shall be credited to this account.

C. The records covering meters shall be so kept that the utility can furnish information as to the number of meters of various types and capacities in service and in reserve as well as the location of each meter owned.

#### ITEMS

1. Meters
2. Current limiting devices
3. Demand indicators
4. Instrument transformers
5. Meter badges and their attachments, installed
6. Testing new meters
7. Installation, labor of (first installation only)
8. Meter boards and boxes, installed
9. Meter fittings and materials used in installation
10. Meter switches and cut-outs, installed

#### 11. Protective devices, installed

Note A: This account shall not include meters for recording output of a generating station, substation meters, etc. It includes only meters for use to record energy delivered to customers.

Note B: The cost of removing and resetting meters shall be charged to account 1763, Labor on Customers' Premises.

Note C: The utility shall keep statistical records to show separately the number of installations the cost of which is included herein, and the number of meter installations which prior to the effective date of this system of accounts was charged to operating expenses.

Note D: Minor items such as meter badges and their attachments shall be included in this account only when in service or associated with a meter held in reserve; otherwise they shall be carried in account 1131, Materials and Supplies.

Note E: Charges made to customers for connection, disconnection or reconnection of meters shall be credited to account 1615, Miscellaneous Electric Revenues.

#### D C 1361. Installations on Customers' Premises

This account shall include the cost installed of equipment on the customer's side of a meter when the utility incurs such cost and when the utility retains title to and assumes full responsibility for maintenance and replacement of such property. This account shall not include equipment leased to customers. (See account 1362, Leased Property on Customers' Premises.)

#### ITEMS

1. Cable vaults
2. Commercial lamp equipment
3. Foundations and settings specially provided for equipment included herein
4. Frequency changer sets
5. Motor generator sets
6. Motors
7. Switchboard panels, high or low tension
8. Wire and cable connections to incoming cables

Note: Do not include in this account any costs incurred in connection with merchandising, jobbing, or contract work activities.

#### D C 1362 Leased Property on Customers' Premises

This account shall include the cost of electric motors, transformers, and other equipment on customers' premises (including municipal corporations), leased to customers, but not including property held for sale.

Note A: The cost of setting and connecting such appliances or equipment on the premises of customers and the cost of resetting or removal shall not be charged to this account but to operating expense account 1763, Labor on Customers' Premises.

Note B: Do not include in this account any costs incurred in connection with merchandising, jobbing, or contract work activities.

#### D C 1363. Street Lighting and Signal Systems

This account shall include the cost installed of equipment used wholly for public street and highway lighting or traffic, fire alarm, police, and other signal systems.

#### ITEMS

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

2. Automatic control equipment
3. Conductors, overhead or underground, including lead or fabric covered, parkway cables, etc., including splices, insulators, etc.
4. Conduit runs used solely for street lighting or signal systems, not including ducts in a bank, part of which is used or held for use for other purposes
5. Lamps, arc, incandescent, or other types, including glassware, suspension fixtures, brackets, etc.
6. Municipal inspection
7. Ornamental lamp posts
8. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks
9. Permits
10. Poles and towers and appurtenant attachments
11. Posts and standards
12. Protection of street openings
13. Relays or time clocks
14. Series contactors
15. Switches
16. Transformers, pole or underground
17. Transformers, rectifiers, and other special station equipment devoted exclusively to street lighting and signal systems

#### GENERAL PLANT

##### D C 1370. Land and Land Rights

This account shall include the cost of land and land rights used for electric plant purposes, the cost of which is not properly includible in other land and land rights accounts. (See electric plant instruction § 182.4.)

##### D C 1371. Structures and Improvements

This account shall include the cost in place of structures and improvements used for electric plant purposes, the cost of which is not properly includible in other structures and improvements accounts. (See electric plant instruction § 182.5.)

##### D C 1372. Office Furniture and Equipment

A. This account shall include the cost installed of all office furniture and equipment owned by the utility and devoted to electric service, and not permanently attached to buildings. Articles of slight value or short service life acquired subsequent to the commencement of operations shall be charged to the appropriate operating expense account and not to this account.

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

#### ITEMS

1. Book cases and shelves
2. Desks, chairs, etc.
3. Drafting room equipment
4. Filing, storage, and other cabinets

5. Floor covering
6. Library and library equipment
7. Mechanical office equipment such as accounting machines, typewriters, etc.
8. Safes
9. Tables

#### D C 1373. Transportation Equipment

This account shall include the cost of transportation and garage equipment when such equipment is not an integral part of the housing structure. This account shall be subdivided as follows:

1373.1 Vehicles

1373.2 Garage and Repair Equipment

#### ITEMS

1. Automobile repair shop equipment
2. Automobiles
3. Battery charging equipment
4. Bicycles
5. Drays
6. Electric vehicles
7. Gasoline and oil pumps (portable)
8. Gasoline storage tanks
9. Greasing tools and equipment
10. Horses, wagons, and harness
11. Horseshoeing equipment
12. Marine equipment
13. Motorcycles
14. Motor trucks
15. Oil storage tanks
16. Repair cars or trucks
17. Tractors
18. Trailers
19. Trucks
20. Other garage or stable equipment

Note: Office furniture and equipment shall be included in account 1372, Office Furniture and Equipment.

#### D C 1379. Other General Equipment

This account shall include the cost installed of the following equipment:

(1) Equipment used for the receiving, shipping, handling and storage of materials and supplies when not an integral part of the housing structure

(2) Equipment specially provided for general shops when such equipment is not an integral part of the housing structure

(3) Laboratory equipment used for general laboratory purposes and not specially provided for or includible in other departmental or functional plant accounts

(4) Tools, implements, and equipment used in construction or repair work exclusive of equipment includible in other equipment accounts

(5) Other general equipment, apparatus, etc., used in the utility's electric operations, and which is not includible in any other account

Note A: General equipment of the nature indicated above whenever practicable shall be assigned to the electric plant accounts on a functional basis. Thus, to illustrate, laboratory equipment used at the power generating station only, shall be included in account 1312, 1323 or 1332, as applicable.

Note B: Office furniture and equipment shall be included in account 1372, Office Furniture and Equipment.

#### D C 1390. Other Tangible Property

A. This account shall include the cost of tangible electric plant not provided for elsewhere.

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

#### SURPLUS ACCOUNTS CREDITS

D C 1400. Credit Balance Transferred from income Account

D C 1401. Miscellaneous Credits to Surplus

#### DEBITS

D C 1410. Debit Balance Transferred from Income Account

D C 1411. Dividend Appropriations--Preferred Stock

D C 1412. Dividend Appropriations--Common Stock

D C 1413. Miscellaneous Reservations of Surplus

D C 1414. Miscellaneous Debits to Surplus

(Total of surplus accounts to be carried as balance sheet account 1271)

#### CREDITS

D C 1400. Credit Balance Transferred from Income Account

This account shall include the net credit balance transferred from the income account for the year.

D C 1401. Miscellaneous Credits to Surplus

A. This account shall include all credits affecting the surplus or deficit not provided for elsewhere. Among the items which shall be credited to this account are:

(1) Credits for amounts previously written off through charges to surplus

(2) Delayed income, operating revenue, and operating expense credits as provided in general instruction, section 181.4

(3) Profits on reacquirement of the utility's securities (See accounts 1152 and 1153.)

(4) Surplus arising from donations by stockholders of the utility's capital stock

(5) Surplus arising from a reduction of the par value of the utility's capital stock

(6) Surplus arising from forgiveness of debt of the utility

B. All items included in this account shall be sufficiently described in the entries relating thereto as to identify them with all accounts affected, and if the credits relate to prior years, the amount applicable to each year shall be shown.

#### DEBITS

D C 1410. Debit Balance Transferred from Income Account

This account shall include the net debit balance transferred from the income account for the year.

D C 1411. Dividend Appropriations--Preferred Stock

D C 1412. Dividend Appropriations--Common Stock

A. These accounts shall include amounts declared payable out of surplus or earnings as dividends on outstanding capital stock issued by the utility.

B. Dividends shall be segregated as to those payable in cash and otherwise. If not payable in cash, the medium of payment shall be described with sufficient particularity to identify it.

C. This account shall be so kept or supported as to show separately the dividends on each class and series of stock.

D C 1413. Miscellaneous Reservations of Surplus

A. This account shall include the reservations or appropriations of surplus for purposes not provided for elsewhere in this system of accounts.

B. The entries to this account shall show the nature of each reservation of surplus.

D C 1414. Miscellaneous Debits to Surplus

A. This account shall include amounts chargeable to surplus not provided for elsewhere. Among the items which shall be charged hereto are:

- (1) Amounts charged to surplus to cover past accrued depreciation and amortization not provided for;
- (2) Decline in value of investments (See account 1114);
- (3) Delayed income, operating revenue, and operating expense debits as provided in general instruction section 181.4;
- (4) Payments of amounts previously credited to surplus;
- (5) Losses on reacquirement of the utility's securities (See accounts 1152 and 1153);
- (6) Losses which are not properly chargeable to operating expenses or income and for which reserves have not been provided.

B. All items included in this account shall be sufficiently described in the entries relating thereto as to identify them with all accounts affected, and if the charges relate to prior years, the amount applicable to each year shall be shown.

#### INCOME ACCOUNTS

The income accounts (1501 to 1540) are designed to show for each month and each calendar year the operating revenues and expenses, the other income, the income deductions, the net income, the miscellaneous reservations of net income and the amount of income or loss remaining for transfer to Surplus.

#### UTILITY OPERATING INCOME

#### ELECTRIC OPERATING INCOME

Operating Revenue

D C 1501. Operating Revenues (subdivided into accounts 1600-1615)

## Operating Revenue Deductions

- D C 1502. Operation and Maintenance (subdivided into accounts 1700-1811)
- D C 1503. Depreciation Total Operating Expenses
- D C 1505. Amortization of Electric Plant Acquisition Adjustments
- D C 1506. Property Losses Chargeable to Operations
- D C 1507. Operating Taxes
  - Total Operating Revenue Deductions
  - Net Operating Revenues
- D C 1508. Income from Electric Plant Leased to Others
  - Electric Operating Income

### OTHER UTILITY OPERATING INCOME

- D C 1509. Other Utility Operating Income
  - Total Utility Operating Income

### OTHER INCOME

- D C 1521. Income from Non-utility Operations
- D C 1523. Dividend Revenues
- D C 1524. Interest Revenues
- D C 1526. Miscellaneous Non-operating Income
  - Total Other Income
  - Gross Income

### INCOME DEDUCTIONS

- D C 1530. Interest on Long-term Debt
- D C 1531. Amortization of Debt Discount and Expense
- D C 1532. Amortization of Premium on Debt-Credit
- D C 1534. Interest on Debt to Associated Companies
- D C 1535. Other Interest Charges
- D C 1536. Interest Charged to Construction-Credit
- D C 1538. Miscellaneous Income Deductions
- D C 1539. Income Taxes
  - Total Income Deductions
  - Net Income

### DISPOSITION OF NET INCOME

- D C 1540. Miscellaneous Reservations of Net Income
  - Balance Transferred to Surplus

### ELECTRIC OPERATING INCOME

- D C 1501. Operating Revenues

Under this caption shall be included the total operating revenues credited to the revenue accounts 1600 to 1615, derived by the utility from its electric operations during the period covered by the income account.

- D C 1502. Operation and Maintenance

Under this caption shall be included the total expenses shown in accounts 1700 to 1811, incurred by the utility in its electric operations during the period covered by the income account.

- D C 1503. Depreciation

A. This account shall include the depreciation expense applicable to electric operations, on plant carried in accounts 1101 and 1106, for the period covered by the income account, except such depreciation expense as is charged to clearing accounts or to construction work in progress.

B. Class C utilities shall keep supporting records to show the amount of depreciation charges applicable to each electric plant account.

#### D C 1505. Amortization of Electric Plant Acquisition Adjustments

This account shall be debited or credited, as the case may be, with amounts which the commission shall have determined are includible in operating revenue deductions for the purpose of providing for the extinguishment of the amount in account 1105, Electric Plant Acquisition Adjustments. Account 1252, Reserve for Amortization of Electric Plant Acquisition Adjustments, shall be concurrently credited or debited.

#### D C 1506. Property Losses Chargeable to Operations

This account shall be charged with amounts credited to account 1146, Miscellaneous Deferred Debits, when the commission has authorized an extraordinary loss included in the latter account to be written off by charges to operations.

#### D C 1507. Operating Taxes

A. This account shall include the amount of Federal, State, county, municipal and other taxes, including payroll taxes (but excluding taxes on net income, excess profits, undivided profits, excess dividends, or capital stock) which are properly chargeable to electric operations, and except taxes includible in account 1789, Merchandising, Jobbing and Contract Work, or in clearing accounts. (See account 1228, Taxes Accrued.)

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 1228, Taxes Accrued. (See also account 1132, Prepayments.)

C. Taxes assumed by the utility on property leased from others for use in electric operations shall be considered as additional rent and so charged.

D. This account shall be so kept as to show the amount of each kind of tax, and the basis upon which each charge is made.

Note: The following items shall not be charged to this account but shall be treated as specified below:

- (1) Gasoline or other sales taxes shall be added to the cost of the materials on which levied
- (2) Taxes chargeable to other utility operations shall be assigned to such operations; taxes applicable to non-utility operations shall be charged to account 1521, Income from Non-utility Operations
- (3) Annual or more frequent payments under the terms of franchises, shall be included in account 1805, Franchise Requirements
- (4) Special assessments for street and similar improvements shall be included in the electric plant account in which the property with which the taxes are identified is included
- (5) Taxes applicable to electric construction shall be charged to account 1103, Construction Work in Progress; taxes on labor charged to cost of removal shall be charged to account 1250, Reserve for Depreciation of Utility Plant
- (6) Taxes on net income, excess profits, undivided profits, excess dividends, or capital stock, shall be charged to account 1539, Income Taxes

#### D C 1508. Income from Electric Plant Leased to Others

A. This account shall include all rental income from electric property leased by the utility to others, and which property is included in account 1102, Electric Plant Leased to Others.

B. This account shall be subdivided as follows:

1508.1 Revenues from Electric Plant Leased to Others

1508.2 Expenses of Electric Plant Leased to Others

C. This account shall be so kept or supported as to show separately the following for each lease:

1. Rentals
2. Expenses

3. Depreciation

4. Taxes

5. Uncollectible rents

#### D C 1509. Other Utility Operating Income

Under this caption shall be included (1) the revenues derived from and (2) operation and maintenance, depreciation, rents and taxes incurred in the operation of utility plant, the book cost of which is included in account 1108, Other Utility Plant.

Note: In the case of utility services for which systems of accounts are prescribed by this commission, such as gas, water, etc., the appropriate accounts in such systems shall be used instead of this account.

#### OTHER INCOME

##### D C 1521. Income from Non-utility Operations

A. This account shall include the revenues derived from and the expenses incurred in non-utility operations.

B. The expenses shall include every element of cost (except return on investment) incurred in such operations, including depreciation, rents, taxes, insurance, etc.

##### D C 1523. Dividend Revenues

This account shall include the revenues derived by the utility from dividends on stocks of other companies.

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

##### D C 1524. Interest Revenues

This account shall include interest revenues on investments, loans, notes, advances, special deposits, etc.

##### D C 1526. Miscellaneous Non-operating Income

This account shall include all revenue items properly includible in the income account other than from operations (utility and non-utility), interest, or dividends. It shall also include all expenses incurred in connection with such revenues.

#### INCOME DEDUCTIONS

##### D C 1530. Interest on Long-term Debt

A. This account shall include in each accounting period the amount of interest applicable thereto on outstanding long-term debt issued or assumed by the utility, the liability for which is included in account 1210, Bonds, account 1211, Receivers' Certificates, or account 1213, Miscellaneous Long-term Debt. No interest shall be accrued on required debt carried in account 1153, Reacquired Long-term Debt.

B. Amounts charged to this account shall be credited to account 1229, Interest Accrued.

C. This account shall be so kept or supported by other records as to show the interest accruals on each class and series of long-term debt.

##### D C 1531. Amortization of Debt Discount and Expense

This account shall include in each accounting period the portion of unextinguished debt discount and expense on outstanding long-term debt which is applicable to such period. The amount shall be computed as provided in account 1140, Unamortized Debt Discount and Expense, to which account concurrent credit shall be made.

##### D C 1532. Amortization of Premium on Debt--Credit

This account shall include in each accounting period the portion of unextinguished premium (or premium less expenses, when a net credit) on outstanding long-term debt which is applicable to such period. The amount shall be computed as provided in account 1240, Unamortized Premium on Debt, to which account concurrent debit shall be made.

##### D C 1534. Interest on Debt to Associated Companies

A. This account shall include in each accounting period interest on debt to associated companies and shall be so kept as to show the amount of interest on each such debt.

B. Amounts charged to this account shall be credited to account 1214, Debts to Associated Companies.

#### D C 1535. Other Interest Charges

This account shall include in each accounting period all interest not provided for in account 1530 or 1534, and shall be so kept as to show the amount of interest charges on each debt.

#### D C 1536. Interest Charged to Construction--Credit

When interest is charged to construction in accordance with electric plant instruction, paragraph (7) of subdivision (a) of section 182.3, concurrent credit shall be made to this account.

#### D C 1538. Miscellaneous Income Deductions

This account shall include miscellaneous debits to income not provided for elsewhere.

### ITEMS

1. Decline in value of investments

2. Donations

3. Expenditures for associated companies for which the utility will not be reimbursed

4. Charges not includible in account 1505, Amortization of Electric Plant Acquisition Adjustments, to write off amounts in account 1105, Electric Plant Acquisition Adjustments, and other items being written off which are not elsewhere provided for

5. Penalties or fines for violations of law

6. Expenses in connection with interest and dividend revenues

7. Taxes assumed on interest

#### D C 1539. Income Taxes

This account shall include taxes on net income, excess profits, undivided profits, excess dividends, and capital stock.

### DISPOSITION OF NET INCOME

#### D C 1540. Miscellaneous Reservations of Net Income

A. This account shall include reservations of net income, such as may be required under the terms of mortgages, deeds of trust, orders of a court, contracts, or other agreements, and other reservations of net income.

B. Amounts charged to this account shall be credited concurrently to the appropriate reserve account.

C. The entries in this account shall show the nature of each reservation of income.

### OPERATING REVENUE ACCOUNTS

#### SALES OF ELECTRIC ENERGY

D C 1600. Residential Sales

D C 1602. Commercial and Industrial Sales

D C 1603. Public Street and Highway Lighting

D C 1604. Other Sales to Public Authorities

D C 1605. Sales to Other Electric Utilities

D C 1606. Sales to Railroads and Railways

D C 1607. Interdepartmental Sales

D C 1608. Other Sales

#### OTHER ELECTRIC REVENUES

D C 1610. Rent from Electric Operating Property

D C 1612. Customers' Forfeited Discounts

D C 1613. Sales of Water and Water Power

D C 1614. Servicing of Customers' Installations

D C 1615. Miscellaneous Electric Revenues

#### SALES OF ELECTRIC ENERGY

D C 1600. Residential Sales

A. This account shall include revenues from electric energy supplied to residential customers, including farm customers supplied under residential rates, and to religious bodies.

B. When electric energy supplied through a single meter is used for both residential and commercial purposes, the total revenue shall be included in this account or in account 1602, Commercial and Industrial Sales, according to the principal use.

D C 1602. Commercial and Industrial Sales

A. This account shall include revenues from electric energy supplied for commercial and industrial purposes.

B. When electricity supplied through a single meter is used for both commercial and residential purposes, the total revenue shall be included in this account or in account 1600, Residential Sales, according to the principal use.

D C 1603. Public Street and Highway Lighting

This account shall include revenues from electric energy supplied and services rendered for the purpose of lighting streets, highways, parks and other public places for municipalities or other divisions or agencies of State or Federal governments.

D C 1604. Other Sales to Public Authorities

This account shall include the revenues from electric energy supplied to municipalities or divisions or agencies of federal or state governments, under special contracts or agreements or service classifications applicable only to public authorities, except such revenues as are includible in account 1603 and 1605.

D C 1605. Sales to Other Electric Utilities

A. This account shall include revenues from electric energy supplied to other electric utilities or to public authorities for distribution to others. (See also account 1738, Electricity Purchased.)

B. Revenues from electric energy supplied to other public utilities for use by them and not for distribution shall be included in account 1602, Commercial and Industrial Sales, unless supplied under the same contract as and not readily separable from revenues includible in this account.

Note: The records supporting the entries to this account shall show separately for each contract the point of delivery, the maximum demand, the kilowatt-hours supplied, the basis for the charge, and the total charge to the distributor. When electricity is delivered to a utility at more than one point, like detail shall be furnished for each point of delivery.

D C 1606. Sales to Railroads and Railways

This account shall include revenues from electric energy supplied to railroads, and interurban and street railways, for general railroad use, including the propulsion of cars or locomotives, when such energy is supplied under separate and distinct contracts or service classifications.

Note: Revenues from electricity supplied to railroads or street railways for other purposes shall be credited to account 1602, unless supplied under the same contract as and not readily separable from revenues includible in this account.

#### D C 1607. Interdepartmental Sales

A. This account shall include the total amounts charged to other departments of the utility by the electric department for energy supplied by the latter.

B. The utility shall be prepared to furnish the basis and the computations of the charges to other departments.

#### D C 1608. Other Sales

This account shall include revenues derived from electric energy supplied users and which are not properly includible in revenue accounts 1600 to 1607, inclusive, including private street lighting.

### OTHER ELECTRIC REVENUES

#### D C 1610. Rent from Electric Operating Property

A. This account shall include rents for the use by others of land, buildings and other property devoted to electric operations by the utility. This covers such matters as rent from pole attachments, buildings, stations, land, etc.

B. This account shall be so kept as to show the nature of the property for which rent was received and the basis of the charges for the use thereof.

Note: Do not include in this account rents from property included in account 1102, Electric Plant Leased to Others. (See account 1508, Income from Electric Plant Leased to Others.)

#### D C 1612. Customers' Forfeited Discounts

This account shall include the amounts which the utility allows its customers on condition that they pay their electric bills on or before a specified date and which are forfeited because of failure to pay within the specified time.

#### D C 1613. Sales of Water and Water Power

A. This account shall include revenues derived from the sale of water for irrigation, domestic, industrial or other uses, or for the development by others of water power; also, revenues derived from furnishing water power for mechanical purposes when the investment in the property used in supplying such water or water power is carried in account 1101, Electric Plant in Service.

B. The records for this account shall be so kept as to permit an analysis of the rates charged and the purposes for which the water was used, such as public water supply, development of electricity by other utilities, industrial uses, irrigation, etc.

Note: This account shall be used only when water or mechanical power is actually delivered to the customers' premises. When electricity is generated on the utility's premises, the revenue therefrom shall be credited to the appropriate account for sales of electric energy.

#### D C 1614. Servicing of Customers' Installations

This account shall include revenues accruing to the utility from charges to customers on account of the maintenance of appliances, wiring, piping, or other installations on customers' side of meters.

#### D C 1615. Miscellaneous Electric Revenues

This account shall include revenues derived from electric operations not includible in any of the foregoing accounts. This covers such items as fees and charges for changing, connecting and disconnecting service, profit on the sale of unused materials and supplies not ordinarily purchased for resale, commissions on sales or distribution of others' electric energy (sold under rates filed by such others), management or supervision fees, sale of steam (except when the utility furnishes steam-heating service), and rentals from property included in account 1362, Leased Property on Customers' Premises.

### OPERATION AND MAINTENANCE ACCOUNTS

## PRODUCTION EXPENSES

Note: If the utility generates electricity in two or more plants or by two or more processes, separate production expense accounts shall be kept for each plant or process.

- D 1700. Supervision of Labor
- C 1701. Supervision
- C 1702. Operation Labor
- C 1703. Maintenance Labor
- D C 1710. Fuel
- D C 1720. Water Purchased for Power
- D1730. Materials, Supplies and Expenses
- C 1731. Operation Supplies and Expenses
- C 1732. Maintenance Materials, Supplies and Expenses
- D C 1735. Rents
- D C 1736. Steam Purchased
- D C 1738. Electricity Purchased
- D C 1740. Other Production Expenses
- D C 1742. Steam Produced--Credit

## TRANSMISSION AND DISTRIBUTION EXPENSES

- D 1760. Supervision and Labor
- C 1761. Supervision
- C 1762. Operation Labor
- C 1763. Labor on Customers' Premises
- C 1764. Maintenance Labor
- C 1765. Labor on Street Lighting and Signal System
- D 1770. Materials, Supplies and Expenses
- C 1771. Operation Supplies and Expenses
- C 1772. Maintenance Materials, Supplies and Expenses
- C 1773. Street Lighting and Signal System Materials, Supplies and Expenses
- D C 1776. Rents

## CUSTOMERS' ACCOUNTING AND COLLECTING EXPENSES

- D 1780. Meter Reading, Accounting and Collecting
- C 1781. Meter Reading
- C 1782. Accounting and Collecting
- DC 1783. Uncollectible Accounts
- D C 1784. Rents

## SALES PROMOTION EXPENSES

- D C 1786. Sales Expenses
- D C 1789. Merchandising, Jobbing and Contract Work

#### ADMINISTRATIVE AND GENERAL EXPENSES

- D C 1790. Salaries of General Officers
- D C 1791. Other General Office Salaries
- D C 1793. General Office Expenses
- D 1795. Special Services
- C 1795.1 Management and Supervision
- C 1795.2 Legal Services
- C 1795.3 Other Special Services
- D C 1797. Regulatory Commission Expenses
- D C 1798. Insurance, Injuries and Damages
- D C 1800. Other General Expenses
- D C 1802. Operation and Maintenance of General Property
- D C 1803. General Rents
- D C 1805. Franchise Requirements
- D C 1806. Duplicate Charges—Credit
- D C 1807. Administrative and General Expenses Transferred—Credit
- D C 1808. Joint Expenses—Debit
- D C 1809. Joint Expenses—Credit
- D C 1810. Stores, Shop and Laboratory Expenses
- D C 1811. Transportation Expenses

#### PRODUCTION EXPENSES

Note: If the utility generates electricity in two or more plants or by two or more processes, separate production expense accounts shall be kept for each plant or process.

##### D 1700. Supervision and Labor

This account shall include items provided for in accounts 1701, 1702 and 1703.

##### C 1701. Supervision

This account shall include the cost of supervising and directing the operation and maintenance of generating stations.

##### C 1702. Operation Labor

This account shall include the pay of employees for the time during which they are engaged in operating the production plant.

##### C 1703. Maintenance Labor

This account shall include the pay of employees or others for the time during which they are engaged in making repairs to the production plant. This includes, in addition to labor on actual repairs, such work as routine inspection and testing, replacing or adding minor items of plant (see electric plant instruction § 182.2, subd. (c)), testing for, locating

and clearing trouble, restoring the condition of damaged property, etc., but not replacing items of property designated as "units of property."

#### D C 1710. Fuel

A. This account shall include the cost delivered at stations of coal, oil, gasoline, gas, or other fuel used in the production of electric energy. It shall also include the net cost of, or amount realized from, the disposal of ashes.

B. Records shall be kept to show the quantity. B.t.u. content, if available, and cost of each type of fuel used.

#### D C 1720. Water Purchased for Power

This account shall include the cost of water purchased for hydraulic power generation.

#### ITEMS

1. Cost of water purchased from others
2. Periodic payments for licenses or permits from any governmental agency for water rights
3. Periodic payments for riparian rights

Note: Exclude from this account and include in account 1731, Operation Supplies and Expenses, water purchased for condensers, and for cooling engines, and for general station use.

#### D 1730. Materials, Supplies and Expenses

This account shall include items provided for in accounts 1731 and 1732.

#### C 1731. Operation Supplies and Expenses

This account shall include the cost of all supplies, tools, etc., used, and miscellaneous expenses incurred, in generating stations, but not repair materials, parts, etc.

#### ITEMS

1. Boiler inspection fees
2. Dynamo brushes
3. Fireroom tools
4. Gauge glasses
5. Hand hole gaskets
6. Heat
7. Light
8. Log sheets and charts
9. Manhole gaskets
10. Meter supplies
11. Packing
12. Steam and air hose
13. Tools (hand)
14. Washers
15. Waste
16. Water for steam generation, for condensers, for cooling engines, for fire protection and for general station use
17. Wipers

Note: Exclude herefrom and include in account 1732 supplies and expenses in connection with repairs to the generating station.

#### C 1732. Maintenance Materials, Supplies and Expenses

This account shall include materials and supplies used and expenses incurred in repairing and maintaining the generating stations.

#### ITEMS

1. Bills from others for repairs, inspection, adjustment or other maintenance of plant, structures or equipment
2. Materials and supplies used in making repairs, adding or replacing minor items of property (see electric plant instruction § 182.2, subd. [c])
3. Minor items added to plant
4. Transportation, shop and store expenses, if clearing accounts are used

Note: Materials recovered in connection with repair and maintenance work which is charged to this account, shall be credited hereto; repairing such materials for reuse shall be charged hereto.

#### D C 1735. Rents

A. This account shall include all rents for property of others used, occupied, or operated in connection with the generation of electricity. Taxes paid on such property shall be charged hereto. (See also electric plant instruction § 182.8.)

B. If the leased property is used by more than one department of the utility, the rental (and taxes) shall be apportioned to the departments making use of the property on an equitable basis. If a portion of the rented property is sub-leased, the revenue therefrom shall be included in account 1610, Rent from Electric Operating Property.

#### D C 1736. Steam Purchased

This account shall include the cost of steam purchased for use in steam engines and turbines devoted to the production of electricity; and also charges for steam transferred to electric generation from another operating department of the company.

Note: The records shall be so kept as to show separately for each company 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 1738. Electricity Purchased

A. This account shall include the cost at the point of delivery to the utility of electricity purchased for resale, including charges for readiness to serve. This account shall be so kept as to show the following:

- (1) Readiness to serve or "standby" charges when determinable
- (2) Firm power purchased
- (3) Dump or surplus power purchased

B. The records shall also show, by months, the demands and demand charges and kilowatt-hours and prices thereof under each purchase contract.

C. When electricity is interchanged with others, this account shall show the gross amount which would be payable for electricity received if no electricity had been furnished to the person supplying the electricity, and the gross amount which would be receivable if no electricity were received from the person to whom electricity was supplied.

#### D C 1740. Other Production Expenses

This account shall be charged with any production expenses, including expenses incurred directly in connection with the purchase of power, which are not specifically provided for in the other production expense accounts.

#### D C 1742. Steam Produced--Credit

This account shall include credits for steam produced in the electric department and transferred to another operating department of the utility, except when such production is treated as a joint facility, in which case it shall be accounted for as provided in accounts 1808-1809.

Note A: The utility shall keep records to show the basis for determining the amounts to be credited to this account.

Note B: The accounting for steam used by the electric department itself shall be in accordance with operating revenue instruction § 183.5.

### TRANSMISSION AND DISTRIBUTION EXPENSES

#### D 1760. Supervision and Labor

This account shall include items provided for in accounts 1761 to 1765.

#### C 1761. Supervision

This account shall include the cost of supervising and directing the operation and maintenance of the transmission and distribution systems.

#### C 1762. Operation Labor

This account shall include the pay of employees for the time during which they are engaged in operating the transmission and distribution systems, except labor on work on customers' premises (chargeable to account 1763) and labor on street lighting and signal systems (chargeable to account 1765). (See also note hereunder.)

### ITEMS

1. Clearing brush and other refuse along rights of way
2. Cleaning ducts, manholes, sewers, etc.
3. Inspecting, testing, removing and resetting line transformers, except the first setting of a transformer (See account 1358.)
4. Keeping maps and other records of transmission and distribution lines
5. Load dispatching
6. Operation of substations
7. Patrolling and testing lines
8. Trimming trees along rights of way
9. Transportation
10. Voltage surveys

Note: Maintenance labor shall be included in account 1763 or 1764 as appropriate.

#### C 1763. Labor on Customers' Premises

This account shall include the pay of employees for the time during which they are engaged in inspecting, testing, repairing, removing and resetting or changing the location of meters or instrument transformers and accessory equipment located on customers' premises, investigating service complaints, and also lamp service and other work on customers' premises.

Note: The cost of the first installation of a meter shall not be charged to this account but to electric plant account 1360, Meters.

#### C 1764. Maintenance Labor

This account shall include the pay of employees engaged in repairing and maintaining transmission and distribution substations and overhead and underground lines, including line transformers and devices, but not meters or street lighting and signal systems.

#### ITEMS

1. Cutting and replacing pavement, pavement base, and sidewalks in connection with repairs
2. Inspecting and testing after repairs have been made
3. Inspecting, testing and reporting on the condition of lines to determine the need for repairs, minor replacements and changes
4. Replacing or adding minor items of plant (See electric plant instruction § 182.2, subd. (c).)
5. Repairing materials for reuse
6. Restoring the condition of damaged line property (See notes below.)
7. Routine work to prevent trouble, such as pulling up slack, tightening guys and raking guy stubs, straightening poles and crossarms, etc.
8. Testing for, locating, and clearing line trouble
9. Training employees for line maintenance work

Note A: Meter repair labor shall be included in account 1763; street lighting and signal system repair labor shall be included in account 1765.

Note B: The cost of maintenance does not include the cost of replacing items of property designated as "units of property."

#### C 1765. Labor on Street Lighting and Signal Systems

This account shall include the pay of employees for the time during which they are engaged in work on the street lighting and signal systems, including traffic, fire, and police signal systems.

#### ITEMS

1. Clearing brush and other refuse
2. Cleaning ducts, manholes, and sewers
3. Cleaning fixtures
4. Renewing of lamps
5. Repairs to system
6. Restoring the condition of damaged property (See note below.)
7. Routine inspection and tests
8. Testing lines and clearing trouble
9. Trimming trees
10. Voltage surveys
11. Transportation

Note: The cost of maintenance does not include the cost of replacing items of property designated as "units of property."

#### D 1770. Materials, Supplies and Expenses

This account shall include items provided for in accounts 1771, 1772 and 1773.

#### C 1771. Operation Supplies and Expenses

This account shall include the cost of all supplies, tools, etc., used and miscellaneous expenses incurred in operating the transmission and distribution systems, except materials, supplies and expenses used in maintenance and on the street lighting and signal systems.

Note: All materials and supplies used and expenses incurred on street lighting and signal systems are chargeable to account 1773, Street Lighting and Signal System Materials, Supplies and Expenses; maintenance materials and supplies used and expenses incurred on other transmission and distribution property are chargeable to account 1772, Maintenance Materials, Supplies and Expenses.

#### C 1772. Maintenance Materials, Supplies and Expenses

This account shall include the cost of materials and supplies used and expenses incurred in repairing and maintaining transmission and distribution system property, except the street lighting and signal systems, but including materials and supplies used and expenses incurred in work on customers' premises.

##### ITEMS

1. Crossarms, braces, anchors, pins, bolts, pole steps, and other pole repair materials
2. Meter repair materials
3. Minor items added to plant
4. Oil for transformers
5. Paving repair materials
6. Replacing cut-out boxes and lightning arresters
7. Transportation, shop and stores expenses if clearing accounts are used
8. Wire and cable, lightning arresters, clamps, switches and other conductor repair materials
9. Work done by others

#### C 1773. Street Lighting and Signal System Materials, Supplies and Expenses

This account shall include the cost of materials and supplies used and expenses incurred in operating, repairing and maintaining the street lighting and signal systems, including traffic, fire, and police signal systems. This includes, in addition to materials and supplies used on repairs to street lighting and signal system property, such items as lamps, glassware, relays, time clocks, etc., but does not include the cost of replacing items designated as "units of property."

#### D C 1776. Rents

A. This account shall include all rents for property of others used, occupied, or operated in connection with the transmission or distribution system. Taxes paid on such property shall be charged hereto. (See also electric plant instruction § 182.8.)

B. If the leased property is used by more than one department of the utility, the rental (and taxes) shall be apportioned on an equitable basis to the departments making use of the property. If a portion of the rented property is sub-leased, the revenue therefrom shall be included in account 1610, Rent from Electric Operating Property.

#### CUSTOMERS' ACCOUNTING AND COLLECTING EXPENSES

#### D 1780. Meter Reading, Accounting and Collecting

This account shall include items provided for in accounts 1781 and 1782 below.

#### C 1781. Meter Reading

This account shall include the pay of employees engaged in reading customers' meters, and the cost of supplies used and expenses incurred in connection therewith.

##### ITEMS

1. Badges

2. Forms for recording readings
3. Lamps
4. Meter readers, pay of
5. Transportation
6. Uniforms

#### C 1782. Accounting and Collecting

This account shall include the pay and expenses of employees engaged on customers' applications, contracts, orders, complaints, and inquiries, and in making credit investigations, billing, collecting customers' bills, and bookkeeping; and the cost of supplies used and expenses incurred in connection therewith.

#### ITEMS

1. Accounts, customers', keeping of
2. Address plates
3. Billing
4. Bookkeeping
5. Books
6. Cashier, pay of
7. Commissions, fees, or salaries of collectors
8. Delivery of bills
9. Disconnection for non-payment of bills
10. Office supplies
11. Postage
12. Stationery and printing
13. Statistical work on customers' accounts
14. Tabulating sales
15. Transportation

#### D C 1783. Uncollectible Accounts

This account shall be charged each month with amounts sufficient to provide for losses from uncollectible electric revenues. Concurrent credits shall be made to account 1254, Reserve for Uncollectible Accounts. Losses from uncollectible accounts shall be charged to such reserve.

#### D C 1784. Rents

A. This account shall include rents for property of others used, occupied, or operated in connection with customers' accounting and collecting, such as for a commercial office. Taxes paid on such property shall be charged hereto. (See also electric plant instruction § 182.8.)

B. If the leased property is used by more than one department of the utility, the rents (and taxes) shall be apportioned on an equitable basis to the departments making use of the property. If a portion of the rented property is subleased, the revenue therefrom shall be included in account 1610, Rent from Electric Operating Property.

Note: If the commercial office and the general office occupy space jointly, and the allocation of the rental to each office is not practicable, the entire amount for office rental may be included in account 1803, General Rents.

#### SALES PROMOTION EXPENSES

#### D C 1786. Sales Expenses

This account shall include the cost of labor employed and expenses incurred for the purpose of promoting the sale of electricity, other than merchandising, jobbing or contract work activities.

#### ITEMS

1. Advertising
2. Demonstrating use of appliances
3. Salaries and commissions of solicitors

#### D C 1789. Merchandising, Jobbing and Contract Work

A. This account shall include expenses of merchandising, jobbing and contract work; also all revenues derived from the sale of electric merchandise, and jobbing or contract work, including any profit or commissions accruing to the utility from jobbing work performed by it as agent under agency contracts whereby it undertakes to do jobbing work for another for a stipulated profit or commission.

B. This account shall be subdivided as follows:

1789.1 Revenue from Merchandising, Jobbing and Contract Work

1789.2 Cost of Merchandising, Jobbing and Contract Work

#### ADMINISTRATION AND GENERAL EXPENSES

#### D C 1790. Salaries of General Officers

This account shall include the compensation (salaries, bonuses and other consideration for services) of officers and executives of the utility, properly chargeable to electric operations and not chargeable directly to a particular electric function.

Note: Directors' fees, even though paid to officers, shall be charged to account 1800, Other General Expenses.

#### D C 1791. Other General Office Salaries

This account shall include the compensation of employees engaged in the general offices properly chargeable to electric operations and not chargeable directly to a particular electric function.

#### D C 1793. General Office Expenses

This account shall include the expenses of general officers and general office employees, and the cost of office supplies and office expenses in connection with the general administrative functions of the utility's electric operations.

#### ITEMS

1. Books and periodicals for office use
2. Building service (not including rent)
3. Meals and hotel bills
4. Membership fees and dues in trade, technical and professional associations
5. Office supplies
6. Postage
7. Printing
8. Stationery
9. Telephone, telegrams, etc.
10. Traveling expenses

#### D 1795. Special Services

A. This account shall include amounts payable to any corporation, firm or individual, other than officers and employees of the utility, for special services to the electric department for general supervision and management services and expenses, and for legal and other special services and expenses.

#### ITEMS

1. Services:

- (a) Auditing and accounting
- (b) Legal
- (c) Management
- (d) Rates
- (e) Secretarial
- (f) Statistical
- (g) Supervisory

2. Expenses:

- (a) Hotel
- (b) Meals
- (c) Printing
- (d) Stationery
- (e) Traveling

B. Class C utilities shall subdivide this account as follows:

C 1795.1 Management and Supervision

C 1795.2 Legal Services

C 1795.3 Other Special Services

C. Records supporting this account shall be so kept as to show: (1) the basis of each fee, (2) the amount of the fee, and (3) the person to whom the fee is paid or payable.

Note A: Legal or other special services in connection with formal cases before regulatory commissions, or in cases in which such a commission is a party, shall be charged to account 1797, Regulatory Commission Expenses, or when specifically applicable to injury or damage cases to account 1798, Insurance, Injuries and Damages, or other appropriate account.

Note B: Legal or other special services incident to the construction of electric property shall be charged to the appropriate utility plant accounts. Legal services incident to the issuance of long-term debt or capital stock shall be charged to account 1140, Unamortized Debt Discount and Expense, account 1240, Unamortized Premium on Debt, or account 1151, Capital Stock Expense, as appropriate.

#### D C 1797. Regulatory Commission Expenses

A. This account shall include all expenses (except pay of regular employees only incidentally engaged in such work), properly includible in electric operating expenses, incurred by the utility in connection with formal cases before regulatory commissions, or other regulatory bodies or cases in which such a body is a party, including payments made to a regulatory commission for fees assessed against the accounting utility for pay and expenses of such commission, its officers, agents, and employees and also including payments to the United States for the administration of the Federal Power Act.

B. Amounts of regulatory commission expenses which are spread over future periods shall be charged to account 1146, Miscellaneous Deferred Debits, and amortized by charges to this account. (See general instruction § 181.4.)

C. The utility shall be prepared to report the cost of each formal case.

D. The costs which may be partly chargeable to this account and partly to the other accounts enumerated in notes A and B to account 1795 shall be equitably apportioned, and the basis of allocation to the several accounts shall be submitted to this commission.

## ITEMS

1. Salaries, fees, retainers, and expenses of counsel, solicitors, attorneys, accountants, engineers, clerks, attendants, witnesses, and others engaged in the prosecution of, or defense against, petitions or complaints presented to regulatory bodies, or in the valuation of property owned or used by the utility in connection with such cases

2. Expenses: Engineering supplies, office expenses, payments to public service or other regulatory commissions, stationery and printing, traveling expenses, and other expenses incurred directly in connection with formal cases before regulatory commissions

Note A: Exclude from this account and include in other appropriate operating expense accounts, expenses incurred in the improvement of service, additional inspection, or rendering reports, which are made necessary by the rules and regulations, or orders, of regulatory bodies.

Note B: Do not include in this account costs incident to the construction of electric property, which are chargeable to the tangible electric plant accounts. Costs incurred in connection with property purchases shall be accounted for as provided in paragraph D of account 1106, Unclassified Electric Plant. Costs incurred incident to the issuance of long-term debt shall be charged to account 1140, Unamortized Debt Discount and Expense, or account 1240, Unamortized Premium on Debt, as applicable; costs incurred incident to the issuance of capital stock shall be charged to account 1151, Capital Stock Expense.

Note C: Do not include in this account expenses in connection with investigations by legislative bodies or cases to which the utility is not a party.

### D C 1798. Insurance, Injuries and Damages

A. This account shall include the cost of insurance to protect the utility against the following losses and damages:

(1) Losses and damages to owned or leased property used in its electric operations such as by fire, storm, burglary, boiler explosion, lightning, etc.

(2) Protection against claims for injuries or deaths to employees or others, or damages to the property of others, including public liability, property damage, boiler, casualty, employees, liability, etc.

(3) Other losses which occur in connection with electric operations, and payments and expenses on account of damages for non-performance of contractual obligations

B. Amounts may be accrued monthly sufficient to meet the probable liability for such losses, concurrent credits being made to account 1255, Reserve for Insurance, Injuries and Damages, in which case losses sustained shall be charged to the reserve. This includes payments to attorneys, investigators and adjusters, court costs, etc.

C. Reimbursements from insurance companies or others for expenses charged hereto on account of property damages or for injuries and damages, and insurance dividends or refunds, shall be credited to this account.

Note A: If clearing accounts 1902 to 1905 are kept, the applicable items provided for in this account shall be included in such clearing accounts.

Note B: The utility shall so keep its records as to show the amount of coverage for each class of insurance carried, the property covered, the applicable premiums, and the distribution of the costs to specific operations or functions. If the utility carries reserves for self-insurance, it shall keep records to show the types of losses against which such reserves are maintained, and the basis of the accruals to the reserves for each risk covered.

### D C 1800. Other General Expenses

A. This account shall include such items of expense applicable to the electric department, not provided in other accounts, as the cost of publishing and distributing annual reports to stockholders; advertising notices of stockholders' meetings dividend and other corporate and financial notices of a general character; association dues; contributions for conventions and meetings of the industry; fees of transfer agents, registrars of stock and fiscal agents; director's fees; fees for filing annual reports and tariff schedules; commissions paid under agency sales contracts expenses incurred in accident, welfare, educational and recreational work; cost of life insurance for employees when the utility is not the beneficiary; pensions payable currently to retired employees or their beneficiaries and the cost of advance provision for pensions to be paid to retired employees or their beneficiaries, except payroll taxes, (see general instruction § 181.12);

cost of employees' relief and benefits; and any other miscellaneous expenses connected with the general management and not otherwise provided for.

B. This account shall not include any charges representing amounts used or to be used for the purchase of securities of the accounting company or any associated company, whether contributed by the accounting company or deducted from salaries and wages of employees, unless and until such amounts have actually been realized and paid to the employees in cash or its equivalent subject to their free disposition. To the extent that the securities thus purchased have an actual market value, the amounts paid for them may be carried meanwhile in account 1114 Miscellaneous Investments and Special Funds; otherwise such amounts shall be charged to account 1538, Miscellaneous Income Deductions. (See general instruction § 181.7.)

Note A: When the utility is the beneficiary of insurance on officers or employees, the cash surrender value shall be included in account 1133, Miscellaneous Current and Accrued Assets, and the excess of cost of the insurance over such cash surrender value shall be charged to account 1538, Miscellaneous Income Deductions.

Note B: No charges shall be made to this account or distributed to other accounts to cover advance provision for future pension payments, unless the controlling plan has been filed with the commission; and no charges shall be made in anticipation of discretionary pension payments in the future.

Note C: Records shall be kept so that the amounts paid for pensions and the amounts paid as advance provision for future pensions can be readily determined.

Note D: Upon adoption of an accrual plan of accounting, pension payments to employees retired before the adoption of such plan shall be charged to an existing pension reserve until such reserve is exhausted, unless any such existing reserve is eliminated by payment of an equivalent amount into the pension trust fund.

#### D C 1802. Operation and Maintenance of General Property

This account shall include the cost of operating and maintaining general buildings and general office furniture and equipment.

#### D C 1803. General Rents

A. This account shall include rent, covering the property of others used, occupied, or operated in connection with the general and administrative functions of the utility, such as general offices. Taxes paid on such property shall be charged hereto. (See also electric plant instruction § 182.8.)

B. If the leased property is used by more than one department of the utility, the rental (and taxes) shall be apportioned on an equitable basis to the departments making use of the property. If a portion of the rented property is subleased, the revenue therefrom shall be included in account 1610, Rent from Electric Operating Property.

Note: If the commercial office and the general office occupy space jointly and the allocation of the rental to each office is not practicable, the entire amount of such rental may be included in this account.

#### D C 1805. Franchise Requirements

A. This account shall include payments to municipal or other governmental authorities, and the cost of materials, supplies and services furnished such authorities without reimbursement in compliance with franchise, ordinance, or similar requirements, provided, however, that the utility may charge to this account at regular tariff rates, instead of cost, electricity furnished without charge under provisions of franchises.

B. When no direct outlay is involved, concurrent credits for such charges shall be to account 1806, Duplicate Charges--Credit.

Note A: Taxes shall not be charged to this account. (See account 1507, Operating Taxes.\*

\* So in original. Closing parentheses inadvertently omitted.

Note B: The cost of plant, supplies, etc., given as an initial consideration for a franchise running for more than one year shall be charged to account 1302, Franchises and Consents.

#### D C 1806. Duplicate Charges--Credit

A. This account shall include concurrent credits for charges which are made to account 1805, Franchise Requirements, to the extent that such charges do not represent direct outlays. It shall also include concurrent credits for charges

made to operating expense or other accounts of the electric department for electricity or steam for heating for which there is no direct money outlay.

B. This account shall be so kept as to disclose the nature and amount of each item included herein. D C 1807. Administrative and General Expenses Transferred--Credit

A. This account shall be credited with amounts recorded in the administrative and general expenses which are properly includible in construction costs, covering the portion of the pay and expenses of general officers, clerks, and others when engaged on construction work.

B. The records supporting this account shall be so kept as to show the basis of determining the amounts transferred to construction.

Note: See electric plant instruction, paragraph (5) of subdivision (a) of section 182.3.

D C 1808. Joint Expenses--Debit

D C 1809. Joint Expenses--Credit

A. A joint facility for the purpose of this system of accounts is defined as any property occupied or used jointly by the utility and another or others under a definite arrangement whereby the actual costs are shared between or among the parties. Property of the utility occupied or used under a similar definite arrangement between the electric department and a coordinate department or departments shall likewise be considered as a joint facility.

B. Amounts payable by the electric department to others or to a coordinate department for joint facilities used, occupied, or operated in connection with electric operations (except steam transferred from another operating department which shall be charged to account 1736, Steam Purchased) shall be charged to account 1808, Joint Expenses--Debit; amounts receivable under the arrangement shall be credited to account 1809, Joint Expenses--Credit.

C. These accounts shall also include interdepartmental rents receivable or payable even though such rents are not determined on the basis of costs of operation and maintenance of property jointly used.

D. The records supporting the entries to these accounts shall be so kept that the utility can furnish a complete explanation of the items therein.

D C 1810. Stores, Shop and Laboratory Expenses

A. This account shall include the cost of labor employed and expenses incurred in the operation and maintenance of the electric storerooms, shops and laboratories if such expenses are not allocated, either directly or through the medium of a clearing account, to the accounts benefited.

B. This account, when kept, shall include costs covered by the text and items listed in accounts 1902, Stores Expenses--Clearing, and 1905, Shop and Laboratory Expenses--Clearing, except depreciation, insurance, and rents. (See accounts 1503, 1798 and 1803.)

Note A: The cost of repairs to transformers, meters and other plant made at the shop shall not be included herein but in the accounts appropriate for such maintenance. (See account 1763, Labor on Customers' Premises, account 1764, Maintenance Labor, and account 1765, Labor on Street Lighting and Signal Systems, and the applicable accounts for maintenance materials.)

Note B: Stores, shop and laboratory expenses applicable to construction shall not be included in operating expenses.

D C 1811. Transportation Expenses

A. This account shall include the cost of labor employed and expenses incurred in the operation and maintenance of transportation equipment if such expenses are not allocated, either directly or through the medium of a clearing account, to the accounts benefited. For item list and optional accounting, see account 1903, Transportation Expenses--Clearing.

B. This account, when kept, shall include costs covered by the text and items listed in account 1903, Transportation Expenses--Clearing.

Note: Transportation expenses applicable to construction shall not be included in operating expenses.

## CLEARING ACCOUNTS

### REQUIRED

D C 1901. Charges by Associated Companies--Clearing

### OPTIONAL

1902. Store Expenses--Clearing

1903. Transportation Expenses--Clearing

1905. Shop and Laboratory Expenses--Clearing

Note: Utilities which do not use accounts 1902 to 1905 shall keep accounts 1810, Stores, Shop and Laboratory Expenses, and 1811, Transportation Expenses.

D C 1901. Charges by Associated Companies--Clearing (Required)

A. This account shall include all charges made by associated companies against the utility for any purpose whatsoever (except interest), including charges for management, supervision, purchasing, construction, accounting, engineering, legal, financial, rent, advertising, materials and supplies, equipment and other property, commissions, taxes and other items, together with credits applicable thereto as provided in general instruction section 181.7.

B. This account shall be cleared by charging the appropriate accounts with the expenditures applicable thereto.

C. The records supporting this account shall be so kept as to show the nature of each charge together with the account or accounts to which each charge is cleared.

Note: The mandatory use of this account may be suspended upon order of the commission if equivalent information is readily obtainable from other records of the utility.

1902. Stores Expense--Clearing (Optional)

A. This account shall include the cost of labor and expenses incurred in the operation and maintenance of the storerooms (other than those identified only with a particular function) including storage, handling and distribution of materials and supplies.

B. Cash discounts shall be credited hereto when such discounts can not be applied to the cost of particular materials.

C. This account shall be cleared by adding to the cost of materials and supplies a suitable loading charge which will distribute the expense equitably over stores issues.

### ITEMS

1. Adjustments of inventories of materials and supplies
2. Collecting and handling scrap materials in stores
3. Depreciation of storeroom equipment
4. Discount on materials, when not assignable to specific items
5. Freight, express, etc., when not assignable to specific items
6. Heat, light and power for storerooms and stores offices
7. Injuries and damages
8. Inspecting and testing materials and supplies, when not assignable to specific items
9. Insurance on materials and supplies and on stores equipment
10. Losses due to breakage, leakage, evaporation, fire and other causes. Credit any amounts received from insurance, transportation companies or others in compensation of such losses
11. Maintenance of stores equipment

12. Pay and expenses of storekeepers, clerks and others employed in storerooms or in store offices
13. Purchasing agents' fees, portion applicable to items carried through this account
14. Purchasing agents' pay and expenses, portion applicable to items carried through this account
15. Rents (See also electric plant instruction § 182.8.)
16. Transporting materials into storehouse, when not assignable to specific items.

Note: Large differences in the accounts disclosed by inventories, which can readily be assigned to important classes of materials, shall be equitably adjusted among the accounts to which such classes of materials have been charged since the preceding inventory. Other differences shall be equitably apportioned among the accounts to which materials have been charged, or included in this account.

#### 1903. Transportation Expenses--Clearing (Optional)

A. This account shall include the cost of labor and expenses incurred in the operation and maintenance of the electric general transportation equipment, including direct taxes and depreciation on transportation equipment.

B. This account shall be cleared by apportionment to operating expense, electric plant, or other accounts benefited on a basis which will distribute the expenses equitably. Credits to this account shall be made in such detail as to permit ready analysis.

### ITEMS

1. Depreciation of transportation equipment
2. Feed and bedding for horses and mules
3. Fuel and lubricants for vehicles (including sales and excise taxes thereon)
4. Freight, express, drayage, etc., on fuel, repair parts, etc.
5. Heat, light and power for garage and garage office
6. Injuries and damages
7. Insurance on garage equipment and transportation equipment including public liability and property damage
8. License fees for vehicles and drivers
9. Maintenance of transportation and garage equipment
10. Operation of garages and stables
11. Pay and expenses of drivers, mechanics, etc.
12. Rent of garage buildings and grounds (See also electric plant instruction § 182.8.)
13. Rent of vehicles and other rents
14. Taxes, direct, such as on gasoline, oil, tires, etc.
15. Tires, tubes and chains

#### 1905. Shop and Laboratory Expenses--Clearing (Optional)

A. This account shall include the cost of labor and expenses incurred in the operation and maintenance of shops and laboratories of the utility, other than those identified wholly with a particular function.

B. This account shall be cleared by apportionment to operating expense, electric plant, or other accounts benefited on a basis which will distribute the expenses equitably. Credits to this account shall be made in such detail as to permit ready analysis.

C. If a laboratory is maintained at a generating station in connection with the operation of the station, the costs incident to its operation and maintenance shall be charged to the appropriate production expense account.

## ITEMS

1. Charts
2. Collecting and handling scrap materials
3. Depreciation of equipment
4. Heat, light and power
5. Injuries and damages
6. Insurance on equipment and supplies
7. Pay and expenses of superintendents, machinists, chemists and other employees in shops or laboratories
8. Rents (See also electric plant instruction § 182.8.)
9. Repairs to equipment
10. Testing supplies