

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of King County,)
Washington, BNSF Railway, Frontier)
Communications Northwest, Inc., Verizon)
Wireless, and New Cingular Wireless PCS,)
LLC. For a Declaratory Order to address the)
degradation of service from Puget Sound)
Energy due to the physical deterioration of the)
Maloney Ridge Line underground cable.)

DOCKET NO. UE-141335

EXHIBIT NO.__(MPG-3)

**EXCERPTS FROM SUBCHAPTER C—ACCOUNTS,
FEDERAL POWER ACT, PART 101**

November 19, 2014

SUBCHAPTER C—ACCOUNTS, FEDERAL POWER ACT

PART 101—UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED FOR PUBLIC UTILITIES AND LICENSEES SUBJECT TO THE PROVISIONS OF THE FEDERAL POWER ACT

AUTHORITY: 16 U.S.C. 791a–825r, 2601–2645; 31 U.S.C. 9701; 42 U.S.C. 7101–7352, 7651–7651o.

SOURCE: Order 218, 25 FR 5014, June 7, 1960.

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting part 101, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and at www.fdsys.gov.

EFFECTIVE DATE NOTE: At 58 FR 18004–18006, Apr. 7, 1993, part 101 was amended by redesignating Definitions 30 through 38 as 31 through 39 and adding new Definition 30; adding paragraph 21 under the General Instructions; adding Accounts 158.1, 158.2, 182.3, and 254 under Balance Sheet Accounts; adding Accounts 407.3, 407.4, 411.8, and 411.9 under Income Accounts; and adding Account 509 under Operation and Maintenance Expense Accounts. The added text contains information collection and recordkeeping requirements and will not become effective until approval has been given by the Office of Management and Budget.

NOTE: Order 141, 12 FR 8503, Dec. 19, 1947, provides in part as follows:

Prescribing a system of accounts for public utilities and licensees under the Federal Power Act. The Federal Power Commission acting pursuant to authority granted by the Federal Power Act, particularly sections 301(a), 304(a), and 309, and paragraph (13) of section 3, section 4(b) thereof, and finding such action necessary and appropriate for carrying out the provisions of said act, hereby adopts the accompanying system of accounts entitled “Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act,” and the rules and regulations contained therein; and *It is hereby ordered:*

(a) That said system of accounts and said rules and regulations contained therein be and the same are hereby prescribed and promulgated as the system of accounts and rules and regulations of the Commission to be kept and observed by public utilities subject to the jurisdiction of the Commission and by licensees holding licenses issued by the Commission, to the extent and in the manner set forth therein;

(b) That said system of accounts and rules and regulations therein contained shall, as to all public utilities now subject to the ju-

isdiction of the Commission and as to all present licensees, become effective on January 1, 1937, and as to public utilities and licensees which may hereafter become subject to the jurisdiction of the Commission, they shall become effective as of the date when such public utility becomes subject to the jurisdiction of the Commission or on the effective date of the license;

(c) That a copy of said system of accounts and rules and regulation contained therein be forthwith served upon each public utility subject to the jurisdiction of the Commission, and each licensee or permittee holding a license or permit from the Commission.

This system of accounts supersedes the system of accounts prescribed for licensees under the Federal Water Power Act; and Order No. 13, entered November 20, 1922, prescribing said system of accounts, was rescinded effective January 1, 1937.

Applicability of system of accounts. This system of accounts is applicable in principle to all licensees subject to the Commission’s accounting requirements under the Federal Power Act, and to all public utilities subject to the provisions of the Federal Power Act. The Commission reserves the right, however, under the provisions of section 301(a) of the Federal Power Act to classify such licensees and public utilities and to prescribe a system of classification of accounts to be kept by and which will be convenient for and meet the requirements of each class.

This system of accounts is applicable to public utilities, as defined in this part, and to licensees engaged in the generation and sale of electric energy for ultimate distribution to the public.

This system of accounts shall also apply to agencies of the United States engaged in the generation and sale of electric energy for ultimate distribution to the public, so far as may be practicable, in accordance with applicable statutes.

In accordance with the requirements of section 3 of the Act (49 Stat. 839; 16 U.S.C. 796(13)), the “classification of investment in road and equipment of steam roads, issue of 1914, Interstate Commerce Commission”, is published and promulgated as a part of the accounting rules and regulations of the Commission, and a copy thereof appears as part 103 of this chapter. Irrespective of any rules and regulations contained in this system of accounts, the cost of original projects licensed under the Act, and also the cost of additions thereto and betterments thereof, shall be determined under the rules and principles as defined and interpreted in said classification of the Interstate Commerce Commission so far as applicable.

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Expense and account 157, Nuclear Materials Held for Sale. These records shall be so kept as to readily furnish the basis of the computation of the net nuclear fuel costs.

Operating Expense Instructions

1. *Supervision and Engineering (Major Utilities).*

The supervision and engineering includible in the operating expense accounts shall consist of the pay and expenses of superintendents, engineers, clerks, other employees and consultants engaged in supervising and directing the operation and maintenance of each utility function. Wherever allocations are necessary in order to arrive at the amount to be included in any account, the method and basis of allocation shall be reflected by underlying records.

ITEMS

Labor

1. Special tests to determine efficiency of equipment operation.
2. Preparing or reviewing budgets, estimates, and drawings relating to operation or maintenance for departmental approval.
3. Preparing instructions for operations and maintenance activities.
4. Reviewing and analyzing operating results.
5. Establishing organizational setup of departments and executing changes therein.
6. Formulating and reviewing routines of departments and executing changes therein.
7. General training and instruction of employees by supervisors whose pay is chargeable hereto. Specific instruction and training in a particular type of work is chargeable to the appropriate functional account (See Electric Plant Instruction 3(19)).
8. Secretarial work for supervisory personnel, but not general clerical and stenographic work chargeable to other accounts.

Expenses

9. Consultants' fees and expenses.
10. Meals, traveling and incidental expenses.

2. *Maintenance.*

A. The cost of maintenance chargeable to the various operating expense and clearing accounts includes labor, materials, overheads and other expenses incurred in maintenance work. A list of work operations applicable

generally to utility plant is included hereunder. Other work operations applicable to specific classes of plant are listed in functional maintenance expense accounts.

B. Materials recovered in connection with the maintenance of property shall be credited to the same account to which the maintenance cost was charged.

C. If the book cost of any property is carried in account 102, Electric Plant Purchased or Sold, the cost of maintaining such property shall be charged to the accounts for maintenance of property of the same class and use, the book cost of which is carried in other electric plant in service accounts. Maintenance of property leased from others shall be treated as provided in operating expense instruction 3.

ITEMS

1. Direct field supervision of maintenance.
2. Inspecting, testing, and reporting on condition of plant specifically to determine the need for repairs, replacements, rearrangements and changes and inspecting and testing the adequacy of repairs which have been made.
3. Work performed specifically for the purpose of preventing failure, restoring serviceability or maintaining life of plant.
4. Rearranging and changing the location of plant not retired.
5. Repairing for reuse materials recovered from plant.
6. Testing for locating and clearing trouble.
7. Net cost of installing, maintaining, and removing temporary facilities to prevent interruptions in service.
8. Replacing or adding minor items of plant which do not constitute a retirement unit. (See electric plant instruction 10.)

3. *Rents.*

A. The rent expense accounts provided under the several functional groups of expense accounts shall include all rents, including taxes paid by the lessee on leased property, for property used in utility operations, except (1) minor amounts paid for occasional or infrequent use of any property or equipment and all amounts paid for use of equipment that, if owned, would be includible in plant accounts 391 to 398, inclusive, which shall be treated as an expense item and included in the appropriate functional account and (2) rents which are chargeable to clearing

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accounts, and distributed therefrom to the appropriate account. If rents cover property used for more than one function, such as production and transmission, or by more than one department, the rents shall be apportioned to the appropriate rent expense or clearing accounts of each department on an actual, or, if necessary, an estimated basis.

B. When a portion of property or equipment rented from others for use in connection with utility operations is subleased, the revenue derived from such subleasing shall be credited to the rent revenue account in operating revenues; provided, however, that in case the rent was charged to a clearing account, amounts received from subleasing the property shall be credited to such clearing account.

C. The cost, when incurred by the lessee, of operating and maintaining leased property, shall be charged to the accounts appropriate for the expense if the property were owned.

D. The cost incurred by the lessee of additions and replacements to electric plant leased from others shall be accounted for as provided in electric plant instruction 6.

4. Training Costs.

When it is necessary that employees be trained to specifically operate or maintain plant facilities that are being constructed, the related costs shall be accounted for as a current operating and maintenance expense. These expenses shall be charged to the appropriate functional accounts currently as they are incurred. However, when the training costs involved relate to facilities which are not conventional in nature, or are new to the company's operations, then see Electric Plant Instruction 3(19), for accounting.

Balance Sheet Chart of Accounts

ASSETS AND OTHER DEBITS

1. UTILITY PLANT

- 101 Electric plant in service (Major only).
- 101.1 Property under capital leases.
- 102 Electric plant purchased or sold.
- 103 Experimental electric plant unclassified (Major only).
- 103.1 Electric plant in process of reclassification (Nonmajor only).
- 104 Electric plant leased to others.
- 105 Electric plant held for future use.

- 106 Completed construction not classified—Electric (Major only).
- 107 Construction work in progress—Electric.
- 108 Accumulated provision for depreciation of electric utility plant (Major only).
- 109 [Reserved]
- 110 Accumulated provision for depreciation and amortization of electric utility plant (Nonmajor only).
- 111 Accumulated provision for amortization of electric utility plant (Major only).
- 112-113 [Reserved]
- 114 Electric plant acquisition adjustments.
- 115 Accumulated provision for amortization of electric plant acquisition adjustments (Major only).
- 116 Other electric plant adjustments.
- 118 Other utility plant.
- 119 Accumulated provision for depreciation and amortization of other utility plant.
- 120.1 Nuclear fuel in process of refinement, conversion, enrichment and fabrication (Major only).
- 120.2 Nuclear fuel materials and assemblies—Stock account (Major only).
- 120.3 Nuclear fuel assemblies in reactor (Major only).
- 120.4 Spent nuclear fuel (Major only).
- 120.5 Accumulated provision for amortization of nuclear fuel assemblies (Major only).
- 120.6 Nuclear fuel under capital leases (Major only).

2. OTHER PROPERTY AND INVESTMENTS

- 121 Nonutility property.
- 122 Accumulated provision for depreciation and amortization of nonutility property.
- 123 Investment in associated companies (Major only).
- 123.1 Investment in subsidiary companies (Major only).
- 124 Other investments.
- 125 Sinking funds (Major only).
- 126 Depreciation fund (Major only).
- 127 Amortization fund—Federal (Major only).
- 128 Other special funds (Major only).
- 129 Special funds (Nonmajor only).

3. CURRENT AND ACCRUED ASSETS

- 130 Cash and working funds (Nonmajor only).
- 131 Cash (Major only).
- 132 Interest special deposits (Major only).
- 133 Dividend special deposits (Major only).
- 134 Other special deposits (Major only).
- 135 Working funds (Major only).
- 136 Temporary cash investments.
- 141 Notes receivable.
- 142 Customer accounts receivable.
- 143 Other accounts receivable.
- 144 Accumulated provision for uncollectible accounts—credit.
- 145 Notes receivable from associated companies.
- 146 Accounts receivable from associated companies.
- 151 Fuel stock (Major only).

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that the related balance would be necessary to be retained to offset future group item tax deficiencies.

283 Accumulated deferred income taxes—Other.

A. This account shall include all credit tax deferrals resulting from the adoption of the principles of comprehensive interperiod income tax allocation described in General Instruction 18 of this system of accounts other than those deferrals which are includible in Accounts 281, Accumulated Deferred Income Taxes—Accelerated Amortization Property and 282, Accumulated Deferred Income Taxes—Other Property.

B. This account shall be credited and accounts 410.1 Provision for Deferred Income Taxes, Utility Operating Income, or 410.2, Provision for Deferred Income Taxes, Other Income and Deductions, as appropriate, shall be debited with tax effects related to items described in paragraph A above where taxable income is lower than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

C. This account shall be debited and accounts 411.1, Provision for Deferred Income Taxes—Credit, Utility Operating Income or 411.2, Provision for Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited with tax effects related to items described in paragraph A above where taxable income is higher than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

D. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with respect to each annual amount of the item or class of items.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion

thereof to retained earnings or to any other account or make any use thereof except as provided in the text of this account, without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of items on which there is a related balance herein, this account shall be charged with an amount equal to the related income tax effect, if any, arising from such disposition and account 411.1, Provision For Deferred Income Taxes—Credit, Utility Operating Income, or 411.2, Provision For Deferred Income Taxes—Credit, Other Income and Deductions, as appropriate, shall be credited. When the remaining balance, after consideration of any related tax expenses, is less than \$25,000, this account shall be charged and account 411.1 or 411.2, as appropriate, credited with such balance. If after consideration of any related income tax expense, there is a remaining amount of \$25,000 or more, the Commission shall authorize or direct how such amount shall be accounted for at the time approval for the disposition of accounting is granted.

When plant is disposed of by transfer to a wholly owned subsidiary, the related balance in this account shall also be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance would be necessary to be retained to offset future group item tax deficiencies.

Electric Plant Chart of Accounts

1. INTANGIBLE PLANT

- 301 Organization.
- 302 Franchises and consents.
- 303 Miscellaneous intangible plant.

2. PRODUCTION PLANT

A. STEAM PRODUCTION

- 310 Land and land rights.
- 311 Structures and improvements.
- 312 Boiler plant equipment.
- 313 Engines and engine-driven generators.
- 314 Turbogenerator units.
- 315 Accessory electric equipment.
- 316 Miscellaneous power plant equipment
- 317 Asset retirement costs for steam production plant.

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B. NUCLEAR PRODUCTION

- 320 Land and land rights (Major only).
- 321 Structures and improvements (Major only).
- 322 Reactor plant equipment (Major only).
- 323 Turbogenerator units (Major only).
- 324 Accessory electric equipment (Major only).
- 325 Miscellaneous power plant equipment (Major only).
- 326 Asset retirement costs for nuclear production plant (Major only).

C. HYDRAULIC PRODUCTION

- 330 Land and land rights.
- 331 Structures and improvements.
- 332 Reservoirs, dams, and waterways.
- 333 Water wheels, turbines and generators.
- 334 Accessory electric equipment.
- 335 Miscellaneous power plant equipment.
- 336 Roads, railroads and bridges.
- 337 Asset retirement costs for hydraulic production plant.

D. OTHER PRODUCTION

- 340 Land and land rights.
- 341 Structures and improvements.
- 342 Fuel holders, producers, and accessories.
- 343 Prime movers.
- 344 Generators.
- 345 Accessory electric equipment.
- 346 Miscellaneous power plant equipment.
- 347 Asset retirement costs for other production plant.

3. TRANSMISSION PLANT

- 350 Land and land rights.
- 351 [Reserved]
- 352 Structures and improvements.
- 353 Station equipment.
- 354 Towers and fixtures.
- 355 Poles and fixtures.
- 356 Overhead conductors and devices.
- 357 Underground conduit.
- 358 Underground conductors and devices.
- 359 Roads and trails.
- 359.1 Asset retirement costs for transmission plant.

4. DISTRIBUTION PLANT

- 360 Land and land rights.
- 361 Structures and improvements.
- 362 Station equipment.
- 363 Storage battery equipment.
- 364 Poles, towers and fixtures.
- 365 Overhead conductors and devices
- 366 Underground conduit.
- 367 Underground conductors and devices
- 368 Line transformers.
- 369 Services.
- 370 Meters.
- 371 Installations on customers' premises
- 372 Leased property on customers' premises.
- 373 Street lighting and signal systems.
- 374 Asset retirement costs for distribution plant.

5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT

- 380 Land and land rights.
- 381 Structures and improvements.
- 382 Computer hardware.
- 383 Computer software.
- 384 Communication Equipment.
- 385 Miscellaneous Regional Transmission and Market Operation Plant.
- 386 Asset Retirement Costs for Regional Transmission and Market Operation Plant.
- 387 [Reserved]

6. GENERAL PLANT

- 389 Land and land rights.
- 390 Structures and improvements.
- 391 Office furniture and equipment.
- 392 Transportation equipment.
- 393 Stores equipment.
- 394 Tools, shop and garage equipment.
- 395 Laboratory equipment.
- 396 Power operated equipment.
- 397 Communication equipment.
- 398 Miscellaneous equipment.
- 399 Other tangible property.
- 399.1 Asset retirement costs for general plant.

Electric Plant Accounts

301 Organization.

This account shall include all fees paid to federal or state governments for the privilege of incorporation and expenditures incident to 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.
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

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363 Storage battery equipment.

This account shall include the cost installed of storage battery equipment used for the purpose of supplying electricity to meet emergency or peak demands.

ITEMS

1. Batteries, including elements, tanks, tank insulators, etc.
2. Battery room connections, including cable or bus runs and connections.
3. Battery room flooring, when specially laid for supporting batteries.
4. Charging equipment, including motor generator sets and other charging equipment and connections, and cable runs from generator or station bus to battery room connections.
5. Miscellaneous equipment, including instruments, water stills, etc.
6. Switching equipment, including endcell switches and connections, boards and panels, used exclusively for battery control, not part of general station switchboard.
7. Ventilating equipment, including fans and motors, louvers, and ducts not part of building.

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

364 Poles, towers and fixtures.

This account shall include the cost installed of poles, towers, and appurtenant fixtures used for supporting overhead distribution conductors and service wires.

ITEMS

1. Anchors, head arm, and other guys, including guy guards, guy clamps, strain insulators, pole plates, etc.
2. Brackets.
3. Crossarms and braces.
4. Excavation and backfill, including disposal of excess excavated material.
5. Extension arms.
6. Foundations.
7. Guards.
8. Insulator pins and suspension bolts.
9. Paving.
10. Permits for construction.
11. Pole steps and ladders.
12. Poles, wood, steel, concrete, or other material.
13. Racks complete with insulators.
14. Railings.
15. Reinforcing and stubbing.
16. Settings.
17. Shaving, painting, gaining, roofing, stenciling, and tagging.
18. Towers.

19. Transformer racks and platforms.

365 Overhead conductors and devices.

This account shall include the cost installed of overhead conductors and devices used for distribution purposes.

ITEMS

1. Circuit breakers.
2. Conductors, including insulated and bare wires and cables.
3. Ground wires, clamps, etc.
4. Insulators, including pin, suspension, and other types, and tie wire or clamps.
5. Lightning arresters.
6. Railroad and highway crossing guards.
7. Splices.
8. Switches.
9. Tree trimming, initial cost including the cost of permits therefor.
10. Other line devices.

NOTE: The cost of conductors used solely for street lighting or signal systems shall not be included in this account but in account 373, Street Lighting and Signal Systems.

366 Underground conduit.

This account shall include the cost installed of underground conduit and tunnels used for housing distribution cables or wires.

ITEMS

1. Conduit, concrete, brick and tile, including iron pipe, fiber pipe, Murray duct, and standpipe on pole or tower.
2. Excavation, including shoring, bracing, bridging, backfill, and disposal of excess excavated material.
3. Foundations and settings specially constructed for and not expected to outlast the apparatus for which constructed.
4. Lighting systems.
5. Manholes, concrete or brick, including iron or steel frames and covers, hatchways, gratings, ladders, cable racks and hangers, etc., permanently attached to manholes.
6. Municipal inspection.
7. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
8. Permits.
9. Protection of street openings.
10. Removal and relocation of subsurface obstructions.
11. Sewer connections, including drains, traps, tide valves, check valves, etc.
12. Sumps, including pumps.
13. Ventilating equipment.

NOTE: The cost of underground conduit used solely for street lighting or signal systems shall be included in account 373, Street Lighting and Signal Systems.

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367 Underground conductors and devices.

This account shall include the cost installed of underground conductors and devices used for distribution purposes.

ITEMS

1. Armored conductors, buried, including insulators, insulating materials, splices, pot-heads, trenching, etc.
2. Armored conductors, submarine, including insulators, insulating materials, splices in terminal chamber, potheads, etc.
3. Cables in standpipe, including pothead and connection from terminal chamber or manhole to insulators on pole.
4. Circuit breakers.
5. Fireproofing, in connection with any items listed herein.
6. Hollow-core oil-filled cable, including straight or stop joints, pressure tanks, auxiliary air tanks, feeding tanks, terminals, pot-heads and connections, etc.
7. Lead and fabric covered conductors, including insulators, compound-filled, oil-filled or vacuum splices, potheads, etc.
8. Lightning arresters.
9. Municipal inspection.
10. Permits.
11. Protection of street openings.
12. Racking of cables.
13. Switches.
14. Other line devices.

NOTE: The cost of underground conductors and devices used solely for street lighting or signal systems shall be included in account 373, Street Lighting and Signal Systems.

368 Line transformers.

A. This account shall include the cost installed of overhead and underground distribution line transformers and poletype 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, whether actually in service or held in reserve.

B. When a transformer is permanently retired from service, the original 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 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. Transformer cut-out boxes.
3. Transformer lightning arresters.
4. Transformers, line and network.
5. Capacitors.
6. Network protectors.

NOTE: The cost of removing and resetting line transformers shall not be charged to this account but to account 583, Overhead Line Expenses, or account 584, Underground Line Expenses (for Nonmajor utilities, account 561, Line and Station Labor, or account 562, Line and Station Supplies and Expenses), as appropriate. The cost of line transformers used solely for street lighting or signal systems shall be included in account 373, Street Lighting and Signal Systems.

369 Services.

This account shall include the cost installed of overhead and underground conductors leading from a point where wires leave the last pole of the overhead system or the distribution box or manhole, or the top of the pole of the distribution line, to the point of connection with the customer's outlet or wiring. Conduit used for underground service conductors shall be included herein.

ITEMS

1. Brackets.
2. Cables and wires.
3. Conduit.
4. Insulators.
5. Municipal inspection.
6. Overhead to underground, including conduit or standpipe and conductor from last splice on pole to connection with customer's wiring.
7. Pavement disturbed, including cutting and replacing pavement, pavement base, and sidewalks.
8. Permits.
9. Protection of street openings.
10. Service switch.
11. Suspension wire.

370 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, whether actually in service or held in reserve.

B. When a meter is permanently retired from service, the installed cost

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10. Motor generator sets.
11. Panels.
12. Phantom loads.
13. Portable graphic ammeters, voltmeters, and wattmeters.
14. Portable loading devices.
15. Potential batteries.
16. Potentiometers.
17. Rotating standards.
18. Standard cell, reactance, resistor, and shunt.
19. Switchboards.
20. Synchronous timers.
21. Testing panels.
22. Testing resistors.
23. Transformers.
24. Voltmeters.
25. Other testing, laboratory, or research equipment not provided for elsewhere.

396 Power operated equipment.

This account shall include the cost of power operated equipment used in construction or repair work exclusive of equipment includible in other accounts. Include, also, the tools and accessories acquired for use with such equipment and the vehicle on which such equipment is mounted.

ITEMS

1. Air compressors, including driving unit and vehicle.
2. Back filling machines.
3. Boring machines.
4. Bulldozers.
5. Cranes and hoists.
6. Diggers.
7. Engines.
8. Pile drivers.
9. Pipe cleaning machines.
10. Pipe coating or wrapping machines.
11. Tractors—Crawler type.
12. Trenchers.
13. Other power operated equipment.

NOTE: It is intended that this account include only such large units as are generally self-propelled or mounted on movable equipment.

397 Communication equipment.

This account shall include the cost installed of telephone, telegraph, and wireless equipment for general use in connection with utility operations.

ITEMS

1. Antennae.
2. Booths.
3. Cables.
4. Distributing boards.
5. Extension cords.
6. Gongs
7. Hand sets, manual and dial.

8. Insulators.
9. Intercommunicating sets.
10. Loading coils.
11. Operators' desks.
12. Poles and fixtures used wholly for telephone or telegraph wire.
13. Radio transmitting and receiving sets.
14. Remote control equipment and lines.
15. Sending keys.
16. Storage batteries
17. Switchboards.
18. Telautograph circuit connections.
19. Telegraph receiving sets.
20. Telephone and telegraph circuits.
21. Testing instruments.
22. Towers.
23. Underground conduit used wholly for telephone or telegraph wires and cable wires.

398 Miscellaneous equipment.

This account shall include the cost of equipment, apparatus, etc., used in the utility operations, which is not includible in any other account of this system of accounts.

ITEMS

1. Hospital and infirmary equipment.
2. Kitchen equipment.
3. Employees' recreation equipment.
4. Radios.
5. Restaurant equipment.
6. Soda fountains.
7. Operators' cottage furnishings.
8. Other miscellaneous equipment.

NOTE: Miscellaneous equipment of the nature indicated above wherever practicable shall be included in the utility plant accounts on a functional basis.

399 Other tangible property.

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

399.1 Asset retirement costs for general plant.

This account shall include asset retirement costs on plant included in the general plant function.

Income Chart of Accounts

1. UTILITY OPERATING INCOME

- 400 Operating revenues.
- 401 Operation expense.
- 402 Maintenance expense.
- 403 Depreciation expense.
- 404 Amortization of limited-term electric plant.
- 405 Amortization of other electric plant.
- 406 Amortization of electric plant acquisition adjustments.

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**456.1 Revenues From Transmission of
Electricity of Others.**

This account shall include revenues from transmission of electricity of others over transmission facilities of the utility.

**457.1 Regional Transmission Service
Revenues.**

This account shall include revenues derived from providing scheduling, system control and dispatching services. Include also in this account reimbursements for system planning, standards development, and market monitoring and market compliance activities. Records shall be maintained so as to show: (1) The services supplied and revenues received from each customer and (2) the amounts billed by tariff or specified rates.

457.2 Miscellaneous Revenues.

This account shall include revenues and reimbursements for costs incurred by regional transmission service providers not provided for elsewhere. Records shall be maintained so as to show: (1) The services supplied and revenues received from each customer, and (2) the amounts billed by tariff or specified rates.

**Operation and Maintenance Expense
Chart of Accounts**

1. POWER PRODUCTION EXPENSES

A. STEAM POWER GENERATION

Operation

- 500 Operation supervision and engineering.
- 501 Fuel.
- 502 Steam expenses (Major only).
- 503 Steam from other sources.
- 504 Steam transferred—Credit.
- 505 Electric expenses (Major only).
- 506 Miscellaneous steam power expenses (Major only).
- 507 Rents.
- 508 Operation supplies and expenses (Nonmajor only).
- 509 Allowances.

Maintenance

- 510 Maintenance supervision and engineering (Major only).
- 511 Maintenance of structures (Major only).
- 512 Maintenance of boiler plant (Major only).
- 513 Maintenance of electric plant (Major only).
- 514 Maintenance of miscellaneous steam plant (Major only).
- 515 Maintenance of steam production plant (Nonmajor only).

B. NUCLEAR POWER GENERATION

Operation

- 517 Operation supervision and engineering (Major only).
- 518 Nuclear fuel expense (Major only).
- 519 Coolants and water (Major only).
- 520 Steam expenses (Major only).
- 521 Steam from other sources (Major only).
- 522 Steam transferred—Credit. (Major only).
- 523 Electric expenses (Major only).
- 524 Miscellaneous nuclear power expenses (Major only).
- 525 Rents (Major only).

Maintenance

- 528 Maintenance supervision and engineering (Major only).
- 529 Maintenance of structures (Major only).
- 530 Maintenance of reactor plant equipment (Major only).
- 531 Maintenance of electric plant (Major only).
- 532 Maintenance of miscellaneous nuclear plant (Major only).

C. HYDRAULIC POWER GENERATION

Operation

- 535 Operation supervision and engineering.
- 536 Water for power.
- 537 Hydraulic expenses (Major only).
- 538 Electric expenses (Major only).
- 539 Miscellaneous hydraulic power generation expenses (Major only).
- 540 Rents.
- 540.1 Operation supplies and expenses (Nonmajor only).

Maintenance

- 541 Maintenance supervision and engineering (Major only).
- 542 Maintenance of structures (Major only).
- 543 Maintenance of reservoirs, dams and waterways (Major only).
- 544 Maintenance of electric plant (Major only).
- 545 Maintenance of miscellaneous hydraulic plant (Major only).
- 545.1 Maintenance of hydraulic production plant (Nonmajor only).

D. OTHER POWER GENERATION

Operation

- 546 Operation supervision and engineering.
- 547 Fuel.
- 548 Generation expenses (Major only).
- 549 Miscellaneous other power generation expenses (Major only).
- 550 Rents.
- 550.1 Operation supplies and expenses (Nonmajor only).

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Maintenance

- 551 Maintenance supervision and engineering (Major only).
- 552 Maintenance of structures (Major only).
- 553 Maintenance of generating and electric plant (Major only).
- 554 Maintenance of miscellaneous other power generation plant (Major only).
- 554.1 Maintenance of other power production plant (Nonmajor only).

E. OTHER POWER SUPPLY EXPENSES

- 555 Purchased power.
- 556 System control and load dispatching (Major only).
- 557 Other expenses.

2. TRANSMISSION EXPENSES

Operation

- 560 Operation supervision and engineering.
- 561.1 Load dispatch—Reliability.
- 561.2 Load dispatch—Monitor and operate transmission system.
- 561.3 Load dispatch—Transmission service and scheduling.
- 561.4 Scheduling, system control and dispatch services.
- 561.5 Reliability planning and standards development.
- 561.6 Transmission service studies.
- 561.7 Generation interconnection studies.
- 561.8 Reliability planning and standards development services.
- 562 Station expenses (Major only).
- 563 Overhead line expense (Major only).
- 564 Underground line expenses (Major only).
- 565 Transmission of electricity by others (Major only).
- 566 Miscellaneous transmission expenses (Major only).
- 567 Rents.
- 567.1 Operation supplies and expenses (Nonmajor only).

Maintenance

- 568 Maintenance supervision and engineering (Major only).
- 569 Maintenance of structures (Major only).
- 569.1 Maintenance of computer hardware.
- 569.2 Maintenance of computer software.
- 569.3 Maintenance of communication equipment.
- 569.4 Maintenance of miscellaneous regional transmission plant.
- 570 Maintenance of station equipment (Major only).
- 571 Maintenance of overhead lines (Major only).
- 572 Maintenance of underground lines (Major only).
- 573 Maintenance of miscellaneous transmission plant (Major only).
- 574 Maintenance of transmission plant (Nonmajor only).

3. REGIONAL MARKET EXPENSES

Operation

- 575.1 Operation Supervision.
- 575.2 Day-ahead and real-time market administration.
- 575.3 Transmission rights market administration.
- 575.4 Capacity market administration.
- 575.5 Ancillary services market administration.
- 575.6 Market monitoring and compliance.
- 575.7 Market facilitation, monitoring and compliance services.
- 575.8 Rents.

Maintenance

- 576.1 Maintenance of structures and improvements.
- 576.2 Maintenance of computer hardware.
- 576.3 Maintenance of computer software.
- 576.4 Maintenance of communication equipment.
- 576.5 Maintenance of miscellaneous market operation plant.

4. DISTRIBUTION EXPENSES

Operation

- 580 Operation supervision and engineering.
- 581 Load dispatching (Major only).
- 581.1 Line and station expenses (Nonmajor only).
- 582 Station expenses (Major only).
- 583 Overhead line expenses (Major only).
- 584 Underground line expenses (Major only).
- 585 Street lighting and signal system expenses.
- 586 Meter expenses.
- 587 Customer installations expenses.
- 588 Miscellaneous distribution expenses.
- 589 Rents.

Maintenance

- 590 Maintenance supervision and engineering (Major only).
- 591 Maintenance of structures (Major only).
- 592 Maintenance of station equipment (Major only).
- 592.1 Maintenance of structures and equipment (Nonmajor only).
- 593 Maintenance of overhead lines (Major only).
- 594 Maintenance of underground lines (Major only).
- 594.1 Maintenance of lines (Nonmajor only).
- 595 Maintenance of line transformers.
- 596 Maintenance of street lighting and signal systems.
- 597 Maintenance of meters.
- 598 Maintenance of miscellaneous distribution plant.

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5. CUSTOMER ACCOUNTS EXPENSES

Operation

- 901 Supervision (Major only).
- 902 Meter reading expenses.
- 903 Customer records and collection expenses.
- 904 Uncollectible accounts.
- 905 Miscellaneous customer accounts expenses (Major only).

6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES

Operation

- 906 Customer service and informational expenses (Nonmajor only).
- 907 Supervision (Major only).
- 908 Customer assistance expenses (Major only).
- 909 Informational and instructional advertising expenses (Major only).
- 910 Miscellaneous customer service and informational expenses (Major only).

7. SALES EXPENSES

Operation

- 911 Supervision (Major only).
- 912 Demonstrating and selling expenses (Major only).
- 913 Advertising expenses (Major only).
- 916 Miscellaneous sales expenses (Major only).
- 917 Sales expenses (Nonmajor only).

8. ADMINISTRATIVE AND GENERAL EXPENSES

Operation

- 920 Administrative and general salaries.
- 921 Office supplies and expenses.
- 922 Administrative expenses transferred—Credit.
- 923 Outside services employed.
- 924 Property insurance.
- 925 Injuries and damages.
- 926 Employee pensions and benefits.
- 927 Franchise requirements.
- 928 Regulatory commission expenses.
- 929 Duplicate charges—Credit.
- 930.1 General advertising expenses.
- 930.2 Miscellaneous general expenses.
- 931 Rents.
- 933 Transportation expenses (Nonmajor only).

Maintenance

- 935 Maintenance of general plant.

Operation and Maintenance
Expense Accounts

500 Operation supervision and engineering.

A. For Major Utilities, this account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of steam power generating stations. Direct supervision of specific activities, such as fuel handling, boiler room operations, generator operations, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

B. For Nonmajor Utilities, this account shall include the cost of supervision and labor in the operation of steam power generating stations.

ITEMS (NONMAJOR ONLY)

Boiler Room Labor:

1. Supervising steam production.
2. Operating fuel conveying, storage, weighing and processing equipment within boiler plant.
3. Operating boiler and boiler auxiliary equipment.
4. Operating boiler feed water purification and treatment equipment.
5. Operating ash collection and disposal equipment located inside the plant.
6. Operating boiler plant electrical equipment.
7. Keeping boiler plant log and records and preparing reports on boiler plant operations.
8. Testing boiler water.
9. Testing, checking, and adjusting meters, gauges and other instruments in boiler plant.
10. Cleaning boiler plant equipment when not incidental to maintenance work.
11. Repacking glands and replacing gauge classes where the work involved is of a minor nature and is performed by regular operating crews. Where the work is of a major character such as that performed on high pressure boilers the item should be considered as maintenance.

Electric Plant Labor:

12. Supervising electric production.
13. Operating turbines, engines, generators and exciters.
14. Operating condensers, circulating water systems and other auxiliary apparatus.
15. Operating generator cooling system.
16. Operating lubrication and oil control system, including oil purification.
17. Operating switchboards, switch gear and electric control and protective equipment.

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3. Work of the following character on overhead services:

- a. Moving position of service either on pole or on customers' premises.
- b. Pulling slack in service wire.
- c. Retying service wire.
- d. Refastening or tightening service bracket.

594 Maintenance of underground lines (Major only).

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of underground distribution line facilities, the book cost of which is includible in account 366, Underground Conduit, account 367, Underground Conductors and Devices, and account 369, Services. (See operating expense instruction 2.)

ITEMS

1. Work of the following character on underground conduit:

- a. Cleaning ducts, manholes, and sewer connections.
- b. Moving or changing position of conduit or pipe.
- c. Minor alterations of handholes, manholes, or vaults.
- d. Refastening, repairing, or moving racks, ladders, or hangers in manholes or vaults.
- e. Plugging and shelving ducts.
- f. Repairs to sewers, drains, walls, and floors, rings and covers.

2. Work of the following character on underground conductors and devices:

- a. Repairing circuit breakers, switches, cutouts, network protectors, and associated relays and control wiring.
- b. Repairing grounds.
- c. Retraining and reconnecting cables in manholes including transfer of cables from one duct to another.
- d. Repairing conductors and splices.
- e. Repairing or moving junction boxes and potheads.
- f. Refireproofing cables and repairing supports.
- g. Repairing electrolysis preventive devices for cables.
- h. Repairing cable bonding systems.
- i. Sampling, testing, changing, purifying and replenishing insulating oil.
- j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes.
- k. Repairing line testing equipment.

1. Repairing oil or gas equipment in high voltage cable systems and replacement of oil or gas.

3. Work of the following character on underground services:

- a. Cleaning ducts.

b. Repairing any underground service plant.

594.1 Maintenance of lines (Nonmajor only).

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of distribution line facilities, the book cost of which is includible in account 364, Poles, Towers and Fixtures, account 365, Overhead Conductors and Devices, account 366, Underground Conduit, account 367, Underground Conductors and Devices, and account 369, Services. (See operating expense instruction 2.)

ITEMS

1. Work of the following character on poles, towers, and fixtures:

- a. Installing additional clamps or removing clamps or strain insulators on guys in place.
- b. Moving line or guy pole in relocation of pole or section of line.
- c. Painting poles, towers, crossarms, or pole extensions.
- d. Readjusting and changing position of guys or braces.
- e. Realigning and straightening poles, crossarms, braces, pins, racks, brackets, and other pole fixtures.
- f. Reconditioning reclaimed pole fixtures.
- g. Relocating crossarms, racks, brackets, and other fixtures on pole.
- h. Repairing pole supported platform.
- i. Repairs by others to jointly owned poles.
- j. Shaving, cutting rot, or treating poles or crossarms in use or salvage for reuse.
- k. Stubbing poles already in service.
- l. Supporting conductors, transformers, and other fixtures and transferring them to new poles during pole replacement.
- m. Maintaining pole signs, stencils, tags, etc.

2. Work of the following character on overhead conductors and devices:

- a. Overhauling and repairing line cutouts, line switches, line breakers, and capacitor installations.
- b. Cleaning insulators and bushings.
- c. Refusing line cutouts.
- d. Repairing line oil circuit breakers and associated relays and control wiring.
- e. Repairing grounds.
- f. Resagging, retying, or rearranging position or spacing of conductors.
- g. Standing by phones, going to calls, cutting faulting lines clear, or similar activities at times of emergencies.
- h. Sampling, testing, changing, purifying, and replenishing insulating oil.
- i. Transferring loads, switching, and reconnecting circuits and equipment for maintenance purposes.