RETAINED EARNINGS ACCOUNTS

Unappropriated Retained Earnings (at beginning of period) (216)
Balance Transferred from Income (433)
Appropriations of Retained Earnings (436)
Dividends Declared — Preferred Stock (437)
Dividends Declared — Common Stock (438)
Adjustments to Retained Earnings (439)
Unappropriated Retained Earnings (at end of period) (216)

433. Balance Transferred from Income.

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

436. Appropriations of Retained Earnings.

This account shall include appropriations of retained earnings.

ITEMS

1. Appropriations required under terms of mortgages, orders of courts, contracts, or other agreements.
2. Appropriations required by action of regulatory authorities.
3. Other appropriations made at option of utility for specific purposes.

437. Dividends Declared — Preferred Stock.

A. This account shall include amounts declared payable out of retained earnings as dividends on actually outstanding preferred or prior lien capital stock issued by the utility.

B. Dividends shall be segregated for each class and series of preferred stock as to those payable in cash, stock and other forms. If not payable in cash, the medium of payment shall be described with sufficient detail to identify it.

438. Dividends Declared — Common Stock.

A. This account shall include amounts declared payable out of retained earnings as dividends on actually outstanding common capital stock issued by the utility.

B. Dividends shall be segregated for each class of common stock as to those payable in cash, stock and other forms. If not payable in cash, the medium of payment shall be described with sufficient detail to identify it.

439. Adjustments to Retained Earnings.

A. This account shall include significant nonrecurring transactions relating to prior periods. Other than transactions of capital stock as specified in paragraph B below, all entries to this account must receive prior Commission approval. These transactions are limited to those adjustments which (a) can be specifically identified with and related to the business activities of particular prior periods, and (b) are not attributable to economic events occurring subsequent to the date of the financial statements for the prior period, and (c) depend primarily on determinations by persons other than the management and (d) were not susceptible of reasonable estimation prior to such determination. This account shall also include the related income tax effects (State and Federal) on items included herein. All items included in this account shall be sufficiently described in the entries relating thereto as to permit ready analysis.

B. Adjustments, charges or credits due to losses on reacquisition, resale or retirement of the company's own capital stock shall be included in this account. (See account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, for the treatment of gains.)

ITEMS

1. Significant nonrecurring adjustments or settlements of income taxes.
2. Significant amounts resulting from litigation or similar claims.
3. Significant amounts relating to adjustments or settlement of utility revenue under rate processes.
4. Significant adjustments to plant in service depreciation and amortization as a result of Commission direction.
5. Write-off of unamortized capital stock expenses.

OPERATING REVENUE ACCOUNTS

1. SALES OF ELECTRICITY

440 Residential Sales
442 Commercial and Industrial Sales
444 Public Street and Highway Lighting
445 Other Sales to Public Authorities
446 Sales to Railroads and Railways
447 Sales for Resale
448 Interdepartmental Sales

2. OTHER OPERATING REVENUES

450 Forfeited Discounts
451 Miscellaneous Service Revenues
453 Sales of Water and Water Power
454 Rent from Electric Property
455 Interdepartmental Rents
456 Other Electric Revenues

1. SALES OF ELECTRICITY

440. Residential Sales.

A. This account shall include the net billing for electricity supplied for residential or domestic purposes.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received under each rate schedule shall be readily available.

NOTE.—When electricity supplied through a single meter is used for both residential and commercial purposes, the total revenue shall be included in this account, or account 442. Commercial and Industrial Sales, according to the rate schedule which is applied. If the same rate schedules apply to residential as to commercial and industrial service, classification shall be made according to principal use.

442. Commercial and Industrial Sales.

A. This account shall include the net billing for electricity supplied to customers for commercial and industrial purposes.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received under each rate schedule shall be readily

available. Records shall be maintained also so as to show separately the revenues from commercial and industrial customers (a) which have demands generally of 1000 kw or more, and (b) those which have demands generally less than 1000 kw. Reasonable deviations above or below the 1000 kw demand are permissible in order that transfers of customers between the two classes during the year may be minimized.

NOTE A.—If the utility classifies large commercial and industrial customers and related revenues on a lesser basis than 1,000 kilowatts of demand, or segregates industrial customers and related revenues according to a recognized definition of an industrial customer, such classifications are acceptable in lieu of those otherwise required by the text of this account on the basis of 1,000 kilowatts of demand.

NOTE 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 440, Residential Sales, according to the rate schedule which is applied. If the same rate schedules apply to residential as to commercial and industrial service, classification shall be made according to the principal use.

444. Public Street and Highway Lighting.

A. This account shall include the net billing for electricity supplied and services rendered for the purposes of lighting streets, highways, parks and other public places, or for traffic or other signal system service, for municipalities or other divisions or agencies of state or federal governments.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received from each customer shall be readily available. In addition, the records shall be maintained so as to show the revenues from (a) contracts which include both electricity and services, and (b) contracts which include sales of electricity only.

445. Other Sales to Public Authorities.

A. This account shall include the net billing for electricity 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 accounts 444 and 447.

B. Records shall be maintained so as to show the quantity of electricity sold and the revenue received from each customer.

446. Sales to Railroads and Railways.

A. This account shall include the net billing for electricity supplied to railroads and interurban and street railways, for general railroad use, including the propulsion of cars or locomotives, where such electricity is supplied under separate and distinct rate schedules.

B. Records shall be maintained so that the quantity of electricity sold and the revenue received from each customer shall be readily available.

NOTE.—Revenues from incidental use of electricity furnished under a contract for propulsion of cars or locomotives shall be included herein.

447. Sales for Resale.

A. This account shall include the net billing for electricity supplied to other electric utilities or to public authorities for resale purposes.

B. Records shall be maintained so as to show the quantity of electricity sold and the revenue received from each customer.

NOTE.—Revenues from electricity supplied to other public utilities for use by them and not for distribution, shall be included in account 442, Commercial and Industrial Sales, unless supplied under the same contract as and not readily separable from revenues includible in this account.

448. Interdepartmental Sales.

A. This account shall include amounts charged by the electric department at tariff or other specified rates for electricity supplied by it to other utility departments.

B. Records shall be maintained so that the quantity of electricity supplied each other department and the charges therefor shall be readily available.

2. OTHER OPERATING REVENUES

450. Forfeited Discounts.

This account shall include the amount of discounts forfeited or additional charges imposed because of failure of customers to pay their electric bills on or before a specified date.

451. Miscellaneous Service Revenues.

This account shall include revenues for all miscellaneous services and charges billed to customers which are not specifically provided for in other accounts.

ITEMS

1. Fees for changing, connecting or disconnecting service.
2. Profit on maintenance of appliances, wiring, piping or other installations on customers' premises.
3. Net credit or debit (cost less net salvage and less payment from customers) on closing of work orders for plant installed for temporary service of less than one year. (See account 185, Temporary Facilities.)
4. Recovery of expenses in connection with current diversion cases (billing for the electricity consumed shall be included in the appropriate electric revenue account).

453. 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 or for headwater benefits; 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 as utility plant in service.

B. The records for this account shall be kept in such manner as to permit an analysis of the rates charged and the purposes for which the water was used.

454. Rent from Electric Property.

A. This account shall include rents received for the use by others of land, buildings, and other property devoted to electric operations by the utility.

B. When property owned by the utility is operated jointly with others under a definite arrangement for apportioning the actual expenses among the parties to the arrangement, any amount received by the utility for interest or return or in reimbursement of taxes or depreciation on the property shall be credited to this account.

NOTE.—Do not include in this account rents from property constituting an operating unit or system. (See account 412, Revenues from Utility Plant Leased to Others.)

455. Interdepartmental Rents.

This account shall include rents credited to the electric department on account of rental charges made against other departments (gas, water, etc.) of the utility. In the case of property operated under a definite arrangement to allocate the costs among the departments using the property, any reimbursement to the electric department for interest or return and depreciation and taxes shall be credited to this account.

456. Other Electric Revenues.

This account shall include revenues derived from electric operations not includible in any of the foregoing accounts.

ITEMS

1. Commission on sale or distribution of electricity of others when sold under rates filed by such others.
2. Compensation for minor or incidental services provided for others such as customer billing, engineering, etc.
3. Profit or loss on sale of material and supplies not ordinarily

purchased for resale and not handled through merchandising and jobbing accounts.

4. Sale of steam, but not including sales made by a steam-heating department or transfers of steam under joint facility operations.
5. Revenues from transmission of electricity of others over transmission facilities of the utility.

OPERATION AND MAINTENANCE EXPENSE ACCOUNTS

1. POWER PRODUCTION EXPENSES

A. Steam Power Generation

Operation

500 Operation Supervision and Engineering
501 Fuel
502 Steam Expenses
503 Steam from Other Sources
504 Steam Transferred—Cr.
505 Electric Expenses
506 Miscellaneous Steam Power Expenses
507 Rents

Maintenance

510 Maintenance Supervision and Engineering
511 Maintenance of Structures
512 Maintenance of Boiler Plant
513 Maintenance of Electric Plant
514 Maintenance of Miscellaneous Steam Plant

B. Nuclear Power Generation

Operation

517 Operation Supervision and Engineering
518 Nuclear Fuel Expense
519 Coolants and Water
520 Steam Expenses
521 Steam from Other Sources
522 Steam Transferred—Cr.
523 Electric Expenses
524 Miscellaneous Nuclear Power Expenses
525 Rents

Maintenance

528 Maintenance Supervision and Engineering

529 Maintenance of Structures
530 Maintenance of Reactor Plant Equipment
531 Maintenance of Electric Plant
532 Maintenance of Miscellaneous Nuclear Plant

C. Hydraulic Power Generation

Operation

535 Operation Supervision and Engineering
536 Water for Power
537 Hydraulic Expenses
538 Electric Expenses
539 Miscellaneous Hydraulic Power Generation Expenses
540 Rents

Maintenance

541 Maintenance Supervision and Engineering
542 Maintenance of Structures
543 Maintenance of Reservoirs, Dams and Waterways
544 Maintenance of Electric Plant
545 Maintenance of Miscellaneous Hydraulic Plant

D. Other Power Generation

Operation

546 Operation Supervision and Engineering
547 Fuel
548 Generation Expenses
549 Miscellaneous Other Power Generation Expenses
550 Rents

Maintenance

551 Maintenance Supervision and Engineering
552 Maintenance of Structures
553 Maintenance of Generating and Electric Plant
554 Maintenance of Miscellaneous Other Power Generation Plant

E. Other Power Supply Expenses

Operation

555 Purchased Power
556 System Control and Load Dispatching
557 Other Expenses

2. TRANSMISSION EXPENSES

Operation

560 Operation Supervision and Engineering
561 Load Dispatching
562 Station Expenses
563 Overhead Line Expenses
564 Underground Line Expenses
565 Transmission of Electricity by Others
566 Miscellaneous Transmission Expenses
567 Rents

Maintenance

568 Maintenance Supervision and Engineering
569 Maintenance of Structures
570 Maintenance of Station Equipment
571 Maintenance of Overhead Lines
572 Maintenance of Underground Lines
573 Maintenance of Miscellaneous Transmission Plant

3. DISTRIBUTION EXPENSES

Operation

580 Operation Supervision and Engineering
581 Load Dispatching
582 Station Expenses
583 Overhead Line Expenses
584 Underground Line Expenses
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
591 Maintenance of Structures
592 Maintenance of Station Equipment
593 Maintenance of Overhead Lines
594 Maintenance of Underground Lines
595 Maintenance of Line Transformers
596 Maintenance of Street Lighting and Signal Systems
597 Maintenance of Meters
598 Maintenance of Miscellaneous Distribution Plant

4. CUSTOMER ACCOUNTS EXPENSES

Operation

901 Supervision
902 Meter Reading Expenses
903 Customer Records and Collection Expenses
904 Uncollectible Accounts
905 Miscellaneous Customer Accounts Expenses

5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES

Operation

907 Supervision
908 Customer Assistance Expenses
909 Conservation, Environmental, Informational and Load Factor Advertising Expenses
909.1 Conservation Advertising Expenses
909.2 Environmental Advertising Expenses
909.3 Informational Consumer Advertising Expenses
909.4 Load Factor Advertising Expenses
910 Miscellaneous Customer Service and Informational Expenses

6. SALES EXPENSES

Operation

911 Supervision
912 Demonstrating and Selling Expenses
914 Revenues from Merchandising, Jobbing and Contract Work
915 Costs and Expenses of Merchandising, Jobbing and Contract Work
916 Miscellaneous Sales Expenses

7. ADMINISTRATIVE AND GENERAL EXPENSES

Operation

920 Administrative and General Salaries
921 Office Supplies and Expenses
922 Administrative Expenses Transferred—Cr.
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—Cr.
930 Miscellaneous General Expenses
931 Rents

OPERATION AND MAINTENANCE EXPENSE ACCOUNTS

1. POWER PRODUCTION EXPENSES

A. Steam Power Generation

Operation

500. Operation Supervision and Engineering.

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 expenses instruction 1.)

501. Fuel.

A. This account shall include the cost of fuel used in the production of steam for the generation of electricity, including expenses in unloading fuel from the shipping media and handling thereof up to the point where the fuel enters the first boiler plant bunker, hopper, bucket, tank or holder of the boiler-house structure. Records shall be maintained to show the quantity, B.t.u. content and cost of each type of fuel used.

B. The cost of fuel shall be charged initially to account 151, Fuel Stock, and cleared to this account on the basis of the fuel used. Fuel handling expenses may be charged to this account as incurred or charged initially to account 152, Fuel Stock Expenses. In the latter event, they shall be cleared to this account on the basis of the fuel used

ITEMS

Labor:

1. Supervising purchasing and handling of fuel.
2. All routine fuel analyses.
3. Unloading from shipping facility and putting in storage.
4. Moving of fuel in storage and transferring fuel from one station to another.
5. Handling from storage or shipping facility to first bunker, hopper, bucket, tank or holder of boiler-house structure.
6. Operation of mechanical equipment, such as locomotives, trucks, cars, boats, barges, cranes, etc.

Materials and Expenses:

7. Cost of fuel including freight, switching, demurrage and other transportation charges.
8. Excise taxes, insurance, purchasing commissions and similar items.
9. Stores expenses to extent applicable to fuel.
10. Transportation and other expenses in moving fuel in storage.
11. Tools, lubricants and other supplies.
12. Operating supplies for mechanical equipment.
13. Residual disposal expenses less any proceeds from sale of residuals.

NOTE.—Abnormal fuel handling expenses occasioned by emergency conditions shall be charged to expense as incurred.

502. Steam Expenses.

This account shall include the cost of labor, materials used and expenses incurred in production of steam for electric generation. This includes all expenses of handling and preparing fuel beginning at the point where the fuel enters the first boiler plant bunker, hopper, tank or holder of the boiler-house structure.

ITEMS

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-collecting 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 operation.
8. Testing boiler water.
9. Testing, checking, and adjusting meters, gauges, and other instruments and equipment in boiler plant.
10. Cleaning boiler plant equipment when not incidental to maintenance work.
11. Repacking glands and replacing gauge glasses 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.

Materials and Expenses

12. Chemicals and boiler inspection fees.
13. Lubricants.
14. Boiler feed water purchased and pumping supplies.

503. Steam from Other Sources.

This account shall include the cost of steam purchased, or transferred from another department of the utility or from others under a joint facility operating arrangement, for use in prime movers devoted to the production of electricity.

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 department or from others under a joint operating arrangement, the utility shall be prepared to show full details of the cost of producing such steam, the basis of the charge to electric generation and the extent and manner of use by each department or party involved.

504. Steam Transferred—Cr.

A. This account shall include credits for expenses of producing steam which are charged to others or to other utility departments under a joint operating arrangement. Include also credits for steam expenses chargeable to other electric accounts outside of the steam generation group. Full details of the basis of determination of the cost of steam transferred shall be maintained.

B. If the charges to others or to other departments of the utility include an amount for depreciation, taxes and return on the joint steam facilities, such portion of the charge shall be credited, in the case of others, to account 454, Rent from Electric Property, and in the case of other departments of the utility, to account 455, Interdepartmental Rents.

505. Electric Expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating prime movers, generators, and their auxiliary apparatus, switch gear and other electric equipment to the points where electricity leaves for conversion for transmission or distribution.

ITEMS

Labor:

1. Supervising electric production.
2. Operating turbines, engines, generators and exciters.
3. Operating condensers, circulating water systems and other auxiliary apparatus.
4. Operating generator cooling system.
5. Operating lubrication and oil control system, including oil purification.
6. Operating switchboards, switch gear and electric control and protective equipment.
7. Keeping electric plant log and records and preparing reports on electric plant operations.

8. Testing, checking and adjusting meters, gauges, and other instruments, relays, controls and other equipment in the electric plant.
9. Cleaning electric plant equipment when not incidental to maintenance work.
10. Repacking glands and replacing gauge glasses.

Materials and Expenses:

11. Lubricants and control system oils.
12. Generator cooling gases.
13. Circulating water purification supplies.
14. Cooling water purchased.
15. Motor and generator brushes.

506. Miscellaneous Steam Power Expenses

This account shall include the cost of labor, materials used and expenses incurred which are not specifically provided for or are not readily assignable to other steam generation operation expense accounts.

ITEMS

Labor:

1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds including snow removal, cutting grass, etc.
5. Miscellaneous labor.

Materials and Expenses:

6. General operating supplies, such as tools, gaskets, packing waste, gauge glasses, hose, ihdicating lamps, record and report forms, etc.
7. First-aid supplies and safety equipment.
8. Employees' service facilities expenses.
9. Building service supplies.
10. Communication service.
11. Miscellaneous office supplies and expenses, printing and stationery.
12. Transportation expenses.
13. Meals, traveling and incidental expenses.

507. Rents.

This account shall include all rents of property of others used, occupied or operated in connection with steam power generation. (See operating expense instruction 3.)

Maintenance

510. Maintenance Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of steam gen-

eration facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

511. Maintenance of Structures.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of steam structures, the book cost of which is includible in account 311, Structures and Improvements. (See operating expense instruction 2.)

512. Maintenance of Boiler Plant.

A. This account shall include the cost of labor, materials used and expenses incurred in the maintenance of steam plant, the book cost of which is includible in account 312, Boiler Plant Equipment. (See operating expense instruction 2.)

B. For the purpose of making charges hereto and to account 513, Maintenance of Electric Plant, the point at which steam plant is distinguished from electric plant is defined as follows:

a. Inlet flange of throttle valve on prime mover.
b. Flange of all steam extraction lines on prime mover.
c. Hotwell pump outlet on condensate lines.
d. Inlet flange of all turbine-room auxiliaries.
e. Connection to line side of motor starter for all boiler-plant equipment.

513. Maintenance of Electric Plant.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of electric plant, the book cost of which is includible in account 313, Engines and Engine-Driven Generators, account 314, Turbogenerator Units, and account 315, Accessory Electric Equipment. (See operating expense instruction 2 and paragraph B of account 512.)

514. Maintenance of Miscellaneous Steam Plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of miscellaneous steam generation plant, the book cost of which is includible in account 316, Miscellaneous Power Plant Equipment. (See operating expense instruction 2.)

B. Nuclear Power Generation

Operation

517. Operation Supervision and Engineering.

This account shall include the cost of labor and expenses incurred

in the general supervision and direction of the operation of nuclear power generating stations. Direct supervision of specific activities, such as fuel handling, reactor operations, generator operations, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

518. **Nuclear Fuel Expense.**

A. This account shall be debited and account 120.5, Accumulated Provision for Amortization of Nuclear Fuel Assemblies, credited for the amortization of the net cost of nuclear fuel assemblies used in the production of energy. The net cost of nuclear fuel assemblies subject to amortization shall be the cost of nuclear fuel assemblies plus or less the expected net salvage of uranium, plutonium, and other by-products and unburned fuel. The utility shall adopt the necessary procedures to assure that charges to this account are distributed according to the thermal energy produced in such periods.

B. This account shall also include the costs involved when fuel is leased.

C. This account shall also include the cost of other fuels, used for auxiliary steam facilities, including superheat.

D. This account shall be debited or credited as appropriate for significant changes in the amounts estimated as the net salvage value of uranium, plutonium, and other by-products contained in account 157, Nuclear Materials Held for Sale and the amount realized upon the final disposition of the materials. Significant declines in the estimated realizable value of items carried in account 157 may be recognized at the time of market price declines by charging this account and crediting account 157. When the declining change occurs while the fuel is recorded in account 120.3, Nuclear Fuel Assemblies in Reactor, the effect shall be amortized over the remaining life of the fuel.

519. **Coolants and Water.**

This account shall include the cost of labor, materials used and expenses incurred for heat transfer materials and water used for steam and cooling purposes.

ITEMS

Labor:

1. Operation of Water supply facilities.
2. Handling of coolants and heat transfer materials.

Materials and Expenses:

3. Chemicals.
4. Additions to, or refining of, fluids used in reactor system.
5. Lubricants.
6. Pumping supplies and expenses.
7. Miscellaneous supplies and expenses.
8. Purchased water.

NOTE.—Do not include in this account water for general station use or the initial charge for coolants, heat transfer or moderator fluids, chemicals or other supplies capitalized.

520. Steam Expenses.

This account shall include the cost of labor, materials used and expenses incurred in production of steam through nuclear processes and similar expenses for operation of any auxiliary superheat facilities.

ITEMS

Labor:

1. Supervising steam production.
2. Fuel handling including removal, insertion, disassembly and preparation for cooling operations and shipment.
3. Testing instruments and gauges.
4. Health, safety, monitoring and decontamination activities.
5. Waste disposal.
6. Operating steam boilers and auxiliary steam superheat facilities.

Materials and Expenses:

7. Chemical supplies.
8. Charts, logs, etc.
9. Health, safety, monitoring and decontamination supplies.
10. Boiler inspection fees.
11. Lubricants.

521. Steam from Other Sources.

This account shall include the cost of steam purchased or transferred from another department of the utility or from others under a joint facility operating arrangement for use in prime movers devoted to the production of electricity.

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.

522. Steam Transferred—Cr.

A. This account shall include credits for expenses of producing steam which are charged to others or to other utility departments under a joint operating arrangement. Include also credits for steam expenses chargeable to other electric accounts outside of the steam generation group. Full details of the basis of determination of the cost of steam transferred shall be maintained.

B. If the charges to others or to other departments of the utility include an amount for depreciation, taxes and return on the joint steam facilities, such portion of the charge shall be credited, in the case of others, to account 454, Rent from Electric Property, and in the case of other departments of the utility, to account 455, Interdepartmental Rents.

523. Electric Expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating turbogenerators, steam turbines and their auxiliary apparatus, switch gear and other electric equipment to the points where electricity leaves for conversion for transmission or distribution.

ITEMS

Labor:

1. Supervising electric production.
2. Operating turbines, engines, generators and exciters.
3. Operating condensers, circulating water systems and other auxiliary apparatus.
4. Operating generator cooling system.
5. Operating lubrication and oil control system, including oil purification.
6. Operating switchboards, switch gear and electric control and protective equipment.
7. Keeping plant log and records and preparing reports on electric plant operations.
8. Testing, checking and adjusting meters, gauges, and other instruments, relays, controls and other equipment in the electric plant.
9. Cleaning electric plant equipment when not incidental to maintenance.
10. Repacking glands and replacing gauge glasses.

Materials and Expenses:

11. Lubricants and control system oils.
12. Generator cooling gases.
13. Log sheets and charts.

14. Motor and generator brushes.

524. Miscellaneous Nuclear Power Expenses.

This account shall include the cost of labor, materials used and expenses incurred which are not specifically provided for or are not readily assignable to other nuclear generation operation accounts.

ITEMS

Labor:

1. General clerical and stenographic work.
2. Plant security.
3. Building service.
4. Care of grounds, including snow removal, cutting grass, etc.
5. Miscellaneous labor.

Materials and Expenses:

6. General operating supplies, such as tools, gaskets, hose, indicating lamps, record and report forms, etc.
7. First-aid supplies and safety equipment.
8. Employees' service facilities expenses.
9. Building service supplies.
10. Communication service.
11. Miscellaneous office supplies and expenses, printing and stationery.
12. Transportation expenses.
13. Meals, traveling and incidental expenses.

525. Rents.

This account shall include all rents of property of others used, occupied or operated in connection with nuclear generation. (See operating expense instruction 3.)

Maintenance

528. Maintenance Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of nuclear generation facilities. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

529. Maintenance of Structures.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 321, Structures and Improvements. (See operating expense instruction 2.)

530. Maintenance of Reactor Plant Equipment.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of reactor plant, the book cost of which is includible in account 322, Reactor Plant Equipment. (See operating expense instruction 2.)

531. Maintenance of Electric Plant.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of electric plant, the book cost of which is includible in account 323, Turbogenerator Units, and account 324, Accessory Electric Equipment. (See operating expense instruction 2.)

532. Maintenance of Miscellaneous Nuclear Plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of miscellaneous nuclear generating plant, the book cost of which is includible in account 325, Miscellaneous Power Plant Equipment. (See operating expense instruction 2.)

C. Hydraulic Power Generation

Operation

535. Operation Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of hydraulic power generating stations. Direct supervision of specific activities, such as hydraulic operation, generator operation, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

536. Water for Power.

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

ITEMS

1. Cost of water purchased from others, including water tolls paid reservoir companies.
2. Periodic payments for licenses or permits from any governmental agency for water rights, or payments based on the use of the water.
3. Periodic payments for riparian rights.
4. Periodic payments for headwater benefits or for detriments to others.
5. Cloud seeding.

537. Hydraulic Expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating hydraulic works including reservoirs, dams and waterways, and in activities directly relating to the hydro-electric development outside the generating station.

ITEMS

Labor:

1. Supervising hydraulic operation.
2. Removing debris and ice from trash racks, reservoirs and waterways.
3. Patrolling reservoirs and waterways.
4. Operating intakes, spillways, sluiceways, and outlet works.
5. Operating bubbler, heater or other de-icing systems.
6. Ice and log jam work.
7. Operating navigation facilities.
8. Operations relating to conservation of game, fish, forests, etc.
9. Insect control activities.

Materials and Expenses:

10. Insect control materials.
11. Lubricants, packing, and other supplies used in operation of hydraulic equipment.
12. Supplies and expenses in conservation of game, fish, forests, etc.
13. Transportation expense.

538. Electric Expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating prime movers, generators, and their auxiliary apparatus, switchgear, and other electric equipment, to the point where electricity leaves for conversion for transmission or distribution.

ITEMS

Labor:

1. Supervising electric production.
2. Operating prime movers, generators and auxiliary equipment.
3. Operating generator cooling system.
4. Operating lubrication and oil control systems, including oil purification.
5. Operating switchboards, switchgear, and electric control and protection equipment.
6. Keeping plant log and records and preparing reports on plant operations.
7. Testing, checking and adjusting meters, gauges, and other instruments, relays, controls, and other equipment in the plant.

8. Cleaning plant equipment when not incidental to maintenance work.
9. Repacking glands.

Materials and Expenses:

10. Lubricants and control system oils.
11. Motor and generator brushes.

539. Miscellaneous Hydraulic Power Generation Expenses.

This account shall include the cost of labor, materials used and expenses incurred which are not specifically provided for or are not readily assignable to other hydraulic generation operation expense accounts.

ITEMS

Labor:

1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds including snow removal, cutting grass, etc.
5. Snow removal from roads and bridges.
6. Miscellaneous labor.

Materials and Expenses:

7. General operating supplies, such as tools, gaskets, packing, waste, hose, indicating lamps, record and report forms, etc.
8. First-aid supplies and safety equipment.
9. Employees' service facilities expenses.
10. Building service supplies.
11. Communication service.
12. Office supplies, printing and stationery.
13. Transportation expenses.
14. Fuel.
15. Meals, traveling and incidental expenses.

540. Rents.

This account shall include all rents of property of others used, occupied or operated in connection with hydraulic power generation, including amounts payable to the United States for the occupancy of public lands and reservations for reservoirs, dams, flumes, forebays, penstocks, power houses, etc., but not including transmission right of way. (See operating expense instruction 3.)

Maintenance

541. Maintenance Supervision and Engineering.

This account shall include the cost of labor and expenses incurred

in the general supervision and direction of the maintenance of hydraulic power generating stations. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

542. Maintenance of Structures.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of hydraulic structures, the book cost of which is includible in account 331, Structures and Improvements. (See operating expense instruction 2.)

543. Maintenance of Reservoirs, Dams and Waterways.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant includible in account 332, Reservoirs, Dams and Waterways. (See operating expense instruction 2.)

544. Maintenance of Electric Plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant includible in account 333, Water Wheels, Turbines and Generators, and account 334, Accessory Electric Equipment. (See operating expense instruction 2.)

545. Maintenance of Miscellaneous Hydraulic Plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 335, Miscellaneous Power Plant Equipment, and account 336, Roads, Railroads and Bridges. (See operating expense instruction 2.)

D. Other Power Generation

Operation

546. Operation Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of other power generating stations. Direct supervision of specific activities, such as fuel handling, engine and generator operation, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

547. Fuel.

This account shall include the cost delivered at the station (see

account 151, Fuel Stock) of all fuel, such as gas, oil, kerosene, and gasoline used in other power generation.

548. Generation Expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating prime movers, generators and electric equipment in other power generating stations, to the point where electricity leaves for conversion for transmission or distribution.

ITEMS

Labor:

1. Supervising other power generation operation.
2. Operating prime movers, generators and auxiliary apparatus and switching and other electric equipment.
3. Keeping plant log and records and preparing reports on plant operations.
4. Testing, checking, cleaning, oiling and adjusting equipment.

Materials and Expenses:

5. Dynamo, motor, and generator brushes.
6. Lubricants and control system oils.
7. Water for cooling engines and generators.

549. Miscellaneous Other Power Generation Expenses.

This account shall include the cost of labor, materials used and expenses incurred in the operation of other power generating stations which are not specifically provided for or are not readily assignable to other generation expense accounts.

ITEMS

Labor:

1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building service.
4. Care of grounds, including snow removal, cutting grass, etc.
5. Miscellaneous labor.

Materials and Expenses:

6. Building service supplies.
7. First-aid supplies and safety equipment.
8. Communication service.
9. Employees' service facilities expenses.
10. Office supplies, printing and stationery.
11. Transportation expense.
12. Meals, traveling and incidental expenses.
13. Fuel for heating.
14. Water for fire protection or general use.
15. Miscellaneous supplies, such as hand tools, drills, saw blades, files, etc.

550. Rents.

This account shall include all rents of property of others used, occupied, or operated in connection with other power generation. (See operating expense instruction 3.)

Maintenance

551. Maintenance Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the maintenance of other power generating stations. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

552. Maintenance of Structures.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of facilities used in other power generation, the book cost of which is includible in account 341, Structures and Improvements, and account 342, Fuel Holders, Producers and Accessories. (See operating expense instruction 2.)

553. Maintenance of Generating and Electric Plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 343, Prime Movers, account 344, Generators, and account 345, Accessory Electric Equipment. (See operating expense instruction 2.)

554. Maintenance of Miscellaneous Other Power Generation Plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of other power generation plant, the book cost of which is includible in account 346, Miscellaneous Power Plant Equipment. (See operating expense instruction 2.)

E. Other Power Supply Expenses

555. Purchased Power.

A. This account shall include the cost at point of receipt by the utility of electricity purchased for resale. It shall include, also, net

settlements for exchange of electricity or power, such as economy energy, off-peak energy for on-peak energy, spinning reserve capacity, etc. In addition, the account shall include the net settlements for transactions under pooling or interconnection agreements wherein there is a balancing of debits and credits for energy, capacity, etc. Distinct purchases and sales shall not be recorded as exchanges and net amounts only recorded merely because debit and credit amounts are combined in the voucher settlement.

B. The records supporting this account shall show, by months, the demands and demand charges, kilowatt-hours and prices thereof under each purchase contract and the charges and credits under each exchange or power pooling contract.

556. System Control and Load Dispatching.

This account shall include the cost of labor and expenses incurred in load dispatching activities for system control. Utilities having an interconnected electric system or operating under a central authority which controls the production and dispatching of electricity may apportion these costs to this account and accounts 561, Load Dispatching —Transmission, and 581, Load Dispatching—Distribution.

ITEMS

Labor:

1. Allocating loads to plants and interconnections with others.
2. Directing switching.
3. Arranging and controlling clearances for construction, maintenance, test and emergency purposes.
4. Controlling system voltages.
5. Recording loadings, water conditions, etc.
6. Preparing operating reports and data for billing and budget purposes.
7. Obtaining reports on the weather and special events.

Expenses:

8. Communication service provided for system control purposes.
9. System record and report forms.
10. Meals, traveling and incidental expenses.
11. Obtaining weather and special events reports.

557. Other Expenses.

A. This account shall be charged with any production expenses, including expenses incurred directly in connection with the purchase of electricity, which are not specifically provided for in other production expense accounts. Charges to this account shall be supported so

that a description of each type of charge will be readily available.

B. Recoveries from insurance companies. under use and occupancy provisions of policies, of amounts in reimbursement of excessive or added production costs for which the insurance company is liable under the terms of the policy shall be credited to this account.

2. TRANSMISSION EXPENSES

Operation

560. Operation Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of the transmission system as a whole. Direct supervision of specific activities, such as station operation, line operation, etc., shall be charged to the appropriate account. (See operating expense instruction 1).

561. Load Dispatching.

This account shall include the cost of labor, materials used and expenses incurred in load dispatching operations pertaining to the transmission of electricity.

ITEMS

Labor:

1. Directing switching.
2. Arranging and controlling clearances for construction, maintenance, test and emergency purposes.
3. Controlling system voltages.
4. Obtaining reports on the weather and special events.
5. Preparing operating reports and data for billing and budget purposes.

Expenses:

6. Communication service provided for system control purposes.
7. System record and report forms.
8. Meals, traveling and incidental expenses.
9. Obtaining weather and special events reports.

562. Station Expenses.

This account shall include the cost of labor, materials used and expenses incurred in operating transmission substations and switching stations. If transmission station equipment is located in or adjacent to a generating station, the expenses applicable to transmission station operations shall nevertheless be charged to this account.

ITEMS

Labor:

1. Supervising station operation.
2. Adjusting station equipment where such adjustment primarily affects performance, such as regulating the flow of cooling water, adjusting current in fields of a machine or changing voltage of regulators, changing station transformer taps.
3. Inspecting, testing and calibrating station equipment for the purpose of checking its performance.
4. Keeping station log and records and preparing reports on station operation.
5. Operating switching and other station equipment.
6. Standing watch, guarding, and patrolling station and station yard.
7. Sweeping, mopping, and tidying station.
8. Care of grounds, including snow removal, cutting grass, etc.

Materials and Expenses:

9. Building service expenses.
10. Operating supplies, such as lubricants, commutator brushes, water, and rubber goods.
11. Station meter and instrument supplies, such as ink and charts.
12. Station record and report forms.
13. Tool expense.
14. Transportation expenses.
15. Meals, traveling, and incidental expenses.

563. Overhead Line Expenses.

564. Underground Line Expenses.

A. These accounts shall include the cost of labor, materials used and expenses incurred in the operation of transmission lines.

B. If the expenses are not substantial for both overhead and underground lines, these accounts may be combined.

ITEMS

Labor:

1. Supervising line operation.
2. Inspecting and testing lightning arresters, circuit breakers, switches, and grounds.
3. Load tests of circuits.
4. Routine line patrolling.
5. Routine voltage surveys made to determine the condition or efficiency of transmission system.
6. Transferring loads, switching and reconnecting circuits and equipment for operating purposes. (Switching for construction or maintenance purposes is not includible in this account.)

7. Routine inspection and cleaning of manholes, conduit, network and transformer vaults.
8. Electrolysis surveys.
9. Inspecting and adjusting line-testing equipment, such as voltmeters, ammeters, wattmeters, etc.
10. Regulation and addition of oil or gas in high-voltage cable systems.

Materials and Expenses:

11. Transportation expenses.
12. Meals, traveling and incidental expenses.
13. Tool expenses.
14. Operating supplies, such as instrument charts, rubber goods, etc.

565. Transmission of Electricity by Others.

This account shall include amounts payable to others for the transmission of the utility's electricity over transmission facilities owned by others.

566. Miscellaneous Transmission Expenses.

This account shall include the cost of labor, materials used and expenses incurred in transmission map and record work, transmission office expenses, and other transmission expenses not provided for elsewhere.

ITEMS

Labor:

1. General records of physical characteristics of lines and stations, such as capacities, etc.
2. Ground resistance records.
3. Janitor work at transmission office buildings, including care of grounds, snow removal, cutting grass, etc.
4. Joint pole maps and records.
5. Line load and voltage records.
6. Preparing maps and prints.
7. General clerical and stenographic work.
8. Miscellaneous labor.

Materials and Expenses:

9. Communication service.
10. Building service supplies.
11. Map and record supplies.
12. Transmission office supplies and expenses, printing and stationery.
13. First-aid supplies.

567. Rents.

This account shall include rents of property of others used, occupied, or operated in connection with the transmission system, including payments to the United States and others for use of public or private lands and reservations for transmission line rights of way. (See operating expense instruction 3.)

Maintenance

568. Maintenance Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the transmission system. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

569. Maintenance of Structures.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of structures, the book cost of which is includible in account 352, Structures and Improvements. (See operating expense instruction 2.)

570. Maintenance of Station Equipment.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of station equipment, the book cost of which is includible in account 353, Station Equipment. (See operating expense instruction 2.)

571. Maintenance of Overhead Lines.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of transmission plant, the book cost of which is includible in accounts 354, Towers and Fixtures, 355, Poles and Fixtures, 356, Overhead Conductors and Devices, and 359, Roads and Trails. (See operating expense instruction 2.)

ITEMS

1. Work of the following character on poles, towers and fixtures:
   a. Installing or removing additional clamps or strain insulators on guys in place.
   b. Moving line or guy pole in relocation of the same 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, and other pole fixtures.
f. Reconditioning reclaimed pole fixtures.
g. Relocating crossarms, racks, brackets, and other fixtures on poles.
h. Repairing or realigning pins, racks, or brackets.
i. Repairing pole supported platform.
j. Repairs by others to jointly owned poles.
k. Shaving, cutting rot, or treating poles or crossarms in use or salvaged for reuse.
l. Stubbing poles already in service.
m. Supporting fixtures and conductors and transferring them to new poles during pole replacements.
n. Maintenance of 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, etc.
b. Cleaning insulators and bushings.
c. Refusing 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 faulty lines clear, or similar activities at times of emergencies.
h. Sampling, testing, changing, purifying, and replenishing insulating oil.
i. Repairing line testing equipment.
j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes.
k. Trimming trees and clearing brush.
l. Chemical treatment of right of way areas when occurring subsequent to construction of line.

3. Work of the following character on roads and trails:

a. Repairing roadway, bridges, etc.
b. Trimming trees and brush to maintain previous roadway clearance.
c. Snow removal from roads and trails.
d. Maintenance work on publicly owned roads and trails when done by utility at its expense.

572. Maintenance of Underground Lines.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of transmission plant, the book cost of which is includible in accounts 357, Underground Conduit, and 358,

Underground Conductors and Devices. (See operating expense instruction 2.)

ITEMS

1. Work of the following character on underground conduit:
   a. Cleaning ducts, manholes, and sewer connections.
   b. Minor alterations of handholes, manholes, or vaults.
   c. Refastening, repairing, or moving racks, ladders, or hangers in manholes, or vaults.
   d. Plugging and shelving or replugging ducts.
   e. Repairs to sewers and drains, walls and floors, rings and covers.
2. Work of the following character on underground conductors and devices:
   a. Repairing oil circuit breakers, switches, cutouts, and control wiring.
   b. Repairing grounds.
   c. Retraining and reconnecting cables in manhole, including transfer of cables from one duct to another.
   d. Repairing conductors and splices.
   e. Repairing or moving junction boxes and potheads.
   f. Refireproofing of 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.
   l. Repairs to oil or gas equipment in high-voltage cable system and replacement of oil or gas.

573. Maintenance of Miscellaneous Transmission Plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of owned or leased plant which is assignable to transmission operations and is not provided for elsewhere. (See operating expense instruction 2.)

3. DISTRIBUTION EXPENSES

Operation

580. Operation Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of the distribution system. Direct supervision of specific activities, such as

station operation, line operation, meter department operation, etc., shall be charged to the appropriate account. (See operating expense instruction 1.)

581. Load Dispatching.

This account (the keeping of which is optional with the utility) shall include the cost of labor, materials used and expenses incurred in load dispatching operations pertaining to the distribution of electricity.

ITEMS

Labor:

1. Directing switching.
2. Arranging and controlling clearances for construction, maintenance, test and emergency purposes.
3. Controlling system voltages.
4. Preparing operating reports.
5. Obtaining reports on the weather and special events.

Expenses:

6. Communication service provided for system control purposes.
7. System record and report forms.
8. Meals, traveling and incidental expenses.

582. Station Expenses.

This account shall include the cost of labor, materials used and expenses incurred in the operation of distribution substations.

ITEMS

Labor:

1. Supervising station operation.
2. Adjusting station equipment where such adjustment primarily affects performance, such as regulating the flow of cooling water, adjusting current in fields of a machine, changing voltage of regulators, or changing station transformer taps.
3. Keeping station log and records and preparing reports on station operation.
4. Inspecting, testing, and calibrating station equipment for the purpose of checking its performance.
5. Operating switching and other station equipment.
6. Standing watch, guarding and patrolling station and station yard.
7. Sweeping, mopping, and tidying station.
8. Care of grounds, including snow removal, cutting grass, etc.

Materials and Expenses:

9. Building service expenses.

10. Operating supplies, such as lubricants, commutator brushes, water, and rubber goods.
11. Station meter and instrument supplies, such as ink and charts.
12. Station record and report forms.
13. Tool expense.
14. Transportation expense.
15. Meals, traveling, and incidental expenses.

NOTE.—If the utility owns storage battery equipment used for supplying electricity to customers in periods of emergency, the cost of operating labor and of supplies, such as acid, gloves, hydrometers, thermometers, soda, automatic cell fillers, acid proof shoes, etc., shall be included in this account. If significant in amount, a separate subdivision shall be maintained for such expenses.

583. Overhead Line Expenses.

584. Underground Line Expenses.

These accounts shall include, respectively, the cost of labor, materials used and expenses incurred in the operation of overhead and underground distribution lines.

ITEMS

Labor:

1. Supervising line operation.
2. Changing line transformer taps.
3. Inspecting and testing lightning arresters, line circuit breakers, switches, and grounds.
4. Inspecting and testing line transformers for the purpose of determining load, temperature, or operating performance.
5. Patrolling lines.
6. Load tests and voltage surveys of feeders, circuits, and line transformers.
7. Removing line transformers and voltage regulators with or without replacement.
8. Installing line transformers or voltage regulators with or without change in capacity provided that the cost of first installation of these items is included in account 368, Line Transformers.
9. Voltage surveys, either routine or upon request of customers, including voltage tests at customer's main switch.
10. Transferring loads, switching and reconnecting circuits and equipment for operation purposes.
11. Electrolysis surveys.
12. Inspecting and adjusting line testing equipment.

Materials and Expenses:

13. Tool expense.
14. Transportation expense.
15. Meals, traveling, and incidental expense.
16. Operating supplies, such as instrument charts, rubber goods, etc.

585. Street Lighting and Signal System Expenses.

This account shall include the cost of labor, materials used and expenses incurred in: (1) the operation of street lighting and signal system plant which is owned or leased by the utility; and (2) the operation and maintenance of such plant owned by customers where such work is done regularly as a part of the street lighting and signal system service.

ITEMS

Labor:

1. Supervising street lighting and signal systems operation.
2. Replacing lamps and incidental cleaning of glassware and fixtures in connection therewith.
3. Routine patrolling for lamp outages, extraneous nuisances or encroachments, etc.
4. Testing lines and equipment including voltage and current measurement.
5. Winding and inspection of time switch and other controls.

Materials and Expenses:

6. Street lamp renewals.
7. Transportation and tool expense.
8. Meals, traveling, and incidental expenses.

586. Meter Expenses.

This account shall include the cost of labor, materials used and expenses incurred in the operation of customer meters and associated equipment.

ITEMS

Labor:

1. Supervising meter operation.
2. Clerical work on meter history and associated equipment record cards, test cards, and reports.
3. Disconnecting and reconnecting, removing and reinstalling, sealing and unsealing meters and other metering equipment in connection with initiating or terminating services including the cost of obtaining meter readings, if incidental to such operation.
4. Consolidating meter installations due to elimination of separate meters for different rates of service.
5. Changing or relocating meters, instrument transformers, time switches, and other metering equipment.
6. Resetting time controls, checking operation of demand meters and other metering equipment, when done as an independent operation.

7. Inspecting and adjusting meter testing equipment.
8. Inspecting and testing meters, instrument transformers, time switches, and other metering equipment on premises or in shops excluding inspecting and testing incidental to maintenance.

Materials and Expenses:

9. Meter seals and miscellaneous meter supplies.
10. Transportation expenses.
11. Meals, traveling, and incidental expenses.
12. Tool expenses.

NOTE.—The cost of the first setting and testing of a meter is chargeable to utility plant account 370, Meters.

587. Customer Installations Expenses.

This account shall include the cost of labor, materials used and expenses incurred in work on customer installations in inspecting premises and in rendering services to customers of the nature of those indicated by the list of items hereunder.

ITEMS

Labor:

1. Supervising customer installations work.
2. Inspecting premises, including check of wiring for code compliance.
3. Investigating, locating, and clearing grounds on customers' wiring.
4. Investigating service complaints, including load tests of motors and lighting and power circuits on customers' premises; field investigations of complaints on bills or of voltage.
5. Installing, removing, renewing, and changing lamps and fuses.
6. Radio, television and similar interference work including erection of new aerials on customers' premises and patrolling of lines, testing of lightning arresters, inspection of pole hardware, etc., and examination on or off premises of customers' appliances, wiring, or equipment to locate cause of interference.
7. Installing, connecting, reinstalling, or removing leased property on customers' premises.
8. Testing, adjusting, and repairing customers' fixtures and appliances in shop or on premises.
9. Cost of changing customers' equipment due to changes in service characteristics.
10. Investigation of current diversion including setting and removal of check meters and securing special readings thereon; special calls by employees in connection with discovery and settlement of current diversion; changes in customer wiring and any other labor cost identifiable as caused by current diversion.

Materials and Expenses:

11. Lamp and fuse renewals.
12. Materials used in servicing customers' fixtures, appliances and equipment.
13. Power, light, heat, telephone, and other expenses of appliance repair department.
14. Tool expense.
15. Transportation expense, including pickup and delivery charges.
16. Meals, traveling and incidental expenses.
17. Rewards paid for discovery of current diversion.

NOTE A.—Amounts billed customers for any work, the cost of which is charged to this account, shall be credited to this account. Any excess over costs resulting therefrom shall be transferred to account 451, Miscellaneous Service Revenues.

NOTE B.—Do not include in this account expenses incurred in connection with merchandising, jobbing and contract work.

588. Miscellaneous Distribution Expenses.

This account shall include the cost of labor, materials used and expenses incurred in distribution system operation not provided for elsewhere.

ITEMS

Labor:

1. General records of physical characteristics of lines and substations, such as capacities, etc.
2. Ground resistance records.
3. Joint pole maps and records.
4. Distribution system voltage and load records.
5. Preparing maps and prints.
6. Service interruption and trouble records.
7. General clerical and stenographic work except that chargeable to account 586, Meter Expenses.
8. Operating records covering poles, transformers, manholes, cables, and other distribution facilities. Exclude meter records chargeable to account 586, Meter Expenses, and station records chargeable to account 582, Station Expenses, and stores records chargeable to account 163, Stores Expense.
9. Janitor work at distribution office buildings including snow removal, cutting grass, etc.

Materials and Expenses:

10. Communication service.
11. Building service expenses.
12. Miscellaneous office supplies and expenses, printing, and stationery, maps and records and first-aid supplies.

589. Rents.

This account shall include rents of property of others used, oc-

cupied, or operated in connection with the distribution system, including payments to the United States and others for the use and occupancy of public lands and reservations for distribution line rights of way. (See operating expense instruction 3.)

Maintenance

590. Maintenance Supervision and Engineering.

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the distribution system. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

591. Maintenance of Structures.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of structures, the book cost of which is includible in account 361, Structures and Improvements. (See operating expense instruction 2.)

592. Maintenance of Station Equipment.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 362, Station Equipment, and account 363, Storage Battery Equipment. (See operating expense instruction 2.)

593. Maintenance of Overhead Lines.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of overhead distribution line facilities, the book cost of which is includible in account 364, Poles, Towers and Fixtures, account 365, Overhead 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 poles.
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 salvaged 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 and line breakers.
   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 faulty lines clear, or similar activities at times of emergency.
   h. Sampling, testing, changing, purifying, and replenishing insulating oil.
   i. Transferring loads, switching, and reconnecting circuits and equipment for maintenance purposes.
   j. Repairing line testing equipment.
   k. Trimming trees and clearing brush.
   l. Chemical treatment of right of way area when occurring subsequent to construction of line.

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.

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.
   l. 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.

595. Maintenance of Line Transformers.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of distribution line transformers and other equipment, the book cost of which is includible in account 368, Line Transformers. (See operating expense instruction 2.)

596. Maintenance of Street Lighting and Signal Systems.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 373, Street Lighting and Signal Systems. (See operating expense instruction 2.)

597. Maintenance of Meters.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of meters and meter testing equipment, the book cost of which is includible in account 370, Meters, and account 395, Laboratory Equipment, respectively. (See operating expense instruction 2.)

598. Maintenance of Miscellaneous Distribution Plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in accounts 371, Installations on Customers' Premises, and 372, Leased Property on Customers' Premises, and any other plant the maintenance of which is assignable to the distribution function and is not provided for elsewhere. (See operating expense instruction 2.)

ITEMS

1. Work of similar nature to that listed in other distribution maintenance accounts.
2. Maintenance of office furniture and equipment used by distribution system department.

4. CUSTOMER ACCOUNTS EXPENSES

Operation

901. Supervision.

This account shall include the cost of labor and expenses incurred in the general direction and supervision of customer accounting and collecting activities. Direct supervision of a specific activity shall be charged to account 902, Meter Reading Expenses, or account 903, Customer Records and Collection Expenses, as appropriate. (See operating expense instruction 1.)

902. Meter Reading Expenses.

This account shall include the cost of labor, materials used and expenses incurred in reading customer meters, and determining consumption when performed by employees engaged in reading meters.

ITEMS

Labor:

1. Addressing forms for obtaining meter readings by mail.
2. Changing and collecting meter charts used for billing purposes.
3. Inspecting time clocks, checking seals, etc., when performed by meter readers and the work represents a minor activity

incidental to regular meter reading routine.

4. Reading meters, including demand meters, and obtaining load information for billing purposes. Exclude and charge to account 586, Meter Expenses, or to account 903, Customer Records and Collection Expenses, as applicable, the cost of obtaining meter readings, first and final, if incidental to the operation of removing or resetting, sealing, or locking, and disconnecting or reconnecting meters.
5. Computing consumption from meter reader's book or from reports by mail when done by employees engaged in reading meters.
6. Collecting from prepayment meters when incidental to meter reading.
7. Maintaining record of customers' keys.
8. Computing estimated or average consumption when performed by employees engaged in reading meters.

Materials and Expenses:

9. Badges, lamps, and uniforms.
10. Demand charts, meter books and binders and forms for recording readings, but not the cost of preparation.
11. Postage and supplies used in obtaining meter readings by mail.
12. Transportation, meals, and incidental expenses.

903. Customer Records and Collection Expenses.

This account shall include the cost of labor, materials used and expenses incurred in work on customer applications, contracts, orders, credit investigations, billing and accounting, collections and complaints.

ITEMS

Labor:

1. Receiving, preparing, recording and handling routine orders for service, disconnections, transfers or meter tests initiated by the customer, excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.
2. Investigations of customers' credit and keeping of records pertaining thereto, including records of uncollectible accounts written off.
3. Receiving, refunding or applying customer deposits and maintaining customer deposit, line extension, and other miscellaneous records.
4. Checking consumption shown by meter readers' reports where incidental to preparation of billing data.
5. Preparing address plates and addressing bills and delinquent notices.
6. Preparing billing data.

7. Operating billing and bookkeeping machines.
8. Verifying billing records with contracts or rate schedules.
9. Preparing bills for delivery, and mailing or delivering bills.
10. Collecting revenues, including collection from prepayment meters unless incidental to meter-reading operations.
11. Balancing collections, preparing collections for deposit, and preparing cash reports.
12. Posting collections and other credits or charges to customer accounts and extending unpaid balances.
13. Balancing customer accounts and controls.
14. Preparing, mailing, or delivering delinquent notices and preparing reports of delinquent accounts.
15. Final meter reading of delinquent accounts when done by collectors incidental to regular activities.
16. Disconnecting and reconnecting service because of nonpayment of bills.
17. Receiving, recording, and handling of inquiries, complaints, and requests for investigations from customers, including preparation of necessary orders, but excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.
18. Statistical and tabulating work on customer accounts and revenues, but not including special analyses for sales department, rate department, or other general purposes, unless incidental to regular customer accounting routines.
19. Preparing and periodically rewriting meter reading sheets.
20. Determining consumption and computing estimated or average consumption when performed by employees other than those engaged in reading meters.

Materials and Expenses:

21. Address plates and supplies.
22. Cash overages and shortages.
23. Commissions or fees to others for collecting.
24. Payments to credit organizations for investigations and reports.
25. Postage.
26. Transportation expenses, including transportation of customer bills and meter books under centralized billing procedure.
27. Transportation, meals, and incidental expenses.
28. Bank charges, exchange, and other fees for cashing and depositing customers' checks.
29. Forms for recording orders for services, removals, etc.
30. Rent of mechanical equipment.

NOTE.—The cost of work on meter history and meter location records is chargeable to account 586, Meter Expenses.

904. Uncollectible Accounts

This account shall be charged with amounts sufficient to provide for losses from uncollectible utility revenues. Concurrent credits shall be made to account 144, Accumulated Provision for Uncollectible Accounts—Cr. Losses from uncollectible accounts shall be charged to account 144.

905. Miscellaneous Customer Accounts Expenses

This account shall include the cost of labor, materials used and expenses incurred not provided for in other accounts.

ITEMS

Labor:

1. General clerical and stenographic work.
2. Miscellaneous labor.

Materials and Expenses:

3. Communication service.
4. Miscellaneous office supplies and expenses and stationery and printing other than those specifically provided for in accounts 902 and 903.

5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES

Operation

907. Supervision.

This account shall include the cost of labor and expenses incurred in the general direction and supervision of customer service activities, the object of which is to promote safe, efficient and economical use of the utility's service with consideration for energy conservation and the prudent management of the natural environment. Direct supervision of a specific activity within customer service and information expense classification shall be charged to the account wherein the costs of such activity are included.

908. Customer Assistance Expenses.

This account shall include the cost of labor, materials used and expenses incurred in providing instructions or assistance to customers, the object of which is to promote safe, efficient and economical use of the utility's service with consideration for energy conservation and the prudent management of the natural environment.

ITEMS

Labor:

1. Direct supervision of department.
2. Processing customer inquiries relating to the proper use of present electric equipment, the replacement of such equipment and information related to such equipment.
3. Advice directed to present customers as to how they may achieve the most efficient and safest use of existing electric equipment.
4. Demonstrations, exhibits, lectures, and other programs designed to instruct customers in the safe, economical or efficient use of electric service, and/or directed toward conservation of energy and the prudent management of the natural environment.
5. Engineering and technical advice to customers, the object of which is to promote safe, efficient and economical use of the utility's service.

Materials and Expenses:

6. Supplies and expenses pertaining to demonstrations, exhibits, lectures, and other programs.
7. Loss in value on equipment and appliances used for customer assistance programs.
8. Office supplies and expenses.
9. Transportation, meals, and incidental expenses.

NOTE: Do not include in this account expenses that are provided for elsewhere, such as accounts 416, or 915, costs and expenses of merchandising, jobbing and contract work, 587, customer installation expenses, and 912, demonstrating and selling expenses.

909. Conservation, Environmental, Informational and Load Factor Advertising Expenses.

A. This account shall include the cost of labor, materials used and expenses incurred in the advertising designed to: (i) foster conservation, (ii) preserve and improve the environment, (iii) convey information on utilizing electric service, and to (iv) improve load factor; all as more fully described in the following sub-accounts.

B. This account shall be maintained according to the sub-accounts shown below:

909.1 Conservation Advertising Expenses.

A. This account shall include the cost of labor, materials used, and expenses incurred in advertising activities which inform the customer of the reasons for and methods whereby energy may be conserved and energy consumption reduced by the consumer. Include in this account advertising activity relating to the electric utility which is related directly to company's provision of service to the customer during energy, fuel, and related shortages.

B. Entries relating to conservation advertising included in this account shall contain or refer to supporting documents which identify the specific advertising message. If references are used, copies or scripts of the advertising message shall be readily available for review.

C. Where conservation advertising is undertaken by an association on behalf of its members or by a holding company on behalf of its subsidiaries, the amount of expense for such advertising charged to any member or subsidiary which is a Connecticut Electric Utility and included in this account, shall be determined in accordance with the text of this account as set forth herein.

ITEMS

Labor:

1. Direct supervision of advertising activities.
2. Preparation of materials for newspapers, periodicals, billboards, etc., and preparing and conducting motion pictures, radio, and television programs.
3. Preparation of booklets, bulletins, etc., used in direct-mail.
4. Preparation of window and other displays.
5. Clerical and stenographic work.
6. Investigating advertising agencies and media and conducting negotiations in connection with the placement and subject matter of advertising.

Materials and Expenses:

7. Advertising in newspapers, periodicals, billboards, radio, etc.
8. Fees and expenses of advertising agencies and commercial artists.
9. Postage on direct-mail advertising.
10. Printing of booklets, dodgers, bulletins, etc.
11. Supplies and expenses in preparing advertising materials.
12. Office supplies and expenses.
13. Novelties for general distribution.

Below are examples of the advertising to be included in this account:

(a) Instructions in the proper use of equipment owned by the utility or the customer which will result in less consumption of energy.

(b) Advertising designed to convince consumers to turn down thermostats, turn off lights when not in use, and turn off appliances, television sets, etc., when not in use.

909.2 Environmental Advertising Expenses.

A. This account shall include the cost of labor, materials used, and expenses incurred in advertising activities which are designed to inform the public concerning the methods by which customers can participate with the utility in preserving and improving the environment. However, advertising which is designed to laud the utility's achievements or projects purporting to preserve or enhance the environment, shall be recorded in account 424.3.

B. Entries relating to environmental advertising included in this account shall contain or refer to supporting documents which identify the specific advertising message. If references are used, copies or scripts of the advertising message shall be readily available for review.

C. Where environment advertising is undertaken by an association on behalf of its subsidiaries, the amount of expense for such advertising charged to any member or subsidiary which is a Connecticut Electric Utility and included in this account, shall be determined in accordance with the text of this account as set forth herein.

ITEMS

Labor:

1. Direct supervision of advertising activities.
2. Preparation of materials for newspapers, periodicals, billboards, etc., and preparing and conducting motion pictures, radio, and television programs.
3. Preparation of booklets, bulletins, etc., used in direct-mail.
4. Preparation of window and other displays.
5. Clerical and stenographic work.
6. Investigating advertising agencies and media and conducting negotiations in connection with the placement and subject matter of advertising.

Materials and Expenses:

7. Advertising in newspapers, periodicals, billboards, radio, etc.
8. Fees and expenses of advertising agencies and commercial artists.
9. Postage on direct-mail advertising.
10. Printing of booklets, dodgers, bulletins, etc.
11. Supplies and expenses in preparing advertising materials.
12. Office supplies and expenses.
13. Novelties for general distribution.

909.3 Informational Consumer Advertising Expenses.

A. This account shall include the cost of labor, materials used, and expenses incurred in advertising activities which convey information as to what the utility urges or suggests customers should do in utilizing electric service to protect their health and safety, to utilize their electric equipment safely and economically.

B. Entries relating to informational advertising included in this account shall contain or refer to supporting documents which identify the specific advertising message. If references are used, copies or scripts of the advertising message shall be readily available for review.

C. Where informational advertising is undertaken by an association on behalf of its members or by a holding company on behalf of its subsidiaries, the amount of expense for such advertising charged to any member or sub-

sidiary which is a Connecticut Electric Utility and included in this account, shall be determined in accordance with the text of this account as set forth herein.

ITEMS

Labor:

1. Direct supervision of advertising activities.
2. Preparation of materials for newspapers, periodicals, billboards, etc., and preparing and conducting motion pictures, radio, and television programs.
3. Preparation of booklets, bulletins, etc., used in direct-mail.
4. Preparation of window and other displays.
5. Clerical and stenographic work.
6. Investigating advertising agencies and media and conducting negotiations in connection with the placement and subject matter of advertising.

Materials and Expenses:

7. Advertising in newspapers, periodicals, billboards, radio, etc.
8. Fees and expenses of advertising agencies and commercial artists.
9. Postage on direct-mail advertising.
10. Printing of booklets, dodgers, bulletins, etc.
11. Supplies and expenses in preparing advertising materials.
12. Office supplies and expenses.
13. Novelties for general distribution.

Below are examples of the advertising to be included in this account:

(a) Instructions in the proper use of equipment owned by the utility or the customer which make use of the utility's service.
(b) Information as to new rates, billing practices, new inspection, or meter reading schedules.
(c) Notification of emergency conditions and procedures to be followed during the emergency.
(d) Advice concerning hazards associated with the utility's electric service.

NOTE: Exclude from this account and charge to account 930, miscellaneous general expenses, the cost of publication of stockholder reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate character. Also, exclude all expenses of political, promotional, institutional or goodwill, and rate justification advertising, (see account 424, political, promotional, institutional and rate justification advertising expenses). Advertising expense directly related to new security issues shall be charged to account 181, unamortized debt discount and expense or account 214, capital stock expense as appropriate.

909.4 Load Factor Advertising Expenses.

A. This account shall include the cost of labor, materials used, and expenses incurred in advertising activities designed to improve load factor so that plant and equipment already installed can be operated more efficiently and to a greater degree of capability, thereby resulting in lower overall costs to the consumer.

B. Entries relating to load factor advertising included in this account shall contain or refer to supporting documents which identify the specific advertising message. If references are used, copies or scripts of the advertising message shall be readily available for review.

C. Where load factor advertising is undertaken by an association on behalf of its members or by a holding company on behalf of its subsidiaries, the amount of expense for such advertising charged to any member or subsidiary which is a Connecticut Electric Utility and included in this account, shall be determined in accordance with the text of this account as set forth herein.

Labor: **ITEMS**

1. Direct supervision of advertising activities.
2. Preparation of advertising materials for newspapers, periodicals, billboards, etc., and preparing and conducting motion pictures, radio, and television programs.
3. Preparation of booklets, bulletins, etc., used in direct-mail.
4. Preparation of window and other displays.
5. Clerical and stenographic work.
6. Investigating advertising agencies and media and conducting negotiations in connection with the placement and subject matter of advertising.

Materials and Expenses:

7. Advertising in newspapers, periodicals, billboards, radio, etc.
8. Fees and expenses of advertising agencies and commercial artists.
9. Postage on direct-mail advertising.
10. Printing of booklets, dodgers, bulletins, etc.
11. Supplies and expenses in preparing advertising materials.
12. Office supplies and expenses.
13. Novelties for general distribution.

Below is an example of the advertising to be included in this account:

(a) Encouragement for manufacturers to go to night operations.

910. Miscellaneous Customer Service and Informational Expenses.

This account shall include the cost of labor, materials used and expenses incurred in connection with customer service and informational activities which are not includible in other customer information expense accounts.

Labor: **ITEMS**

1. General clerical and stenographic work not assigned to specific customer service and informational programs.
2. Miscellaneous labor.
3. Communication service.

Materials and Expenses:

4. Printing, postage and office supplies expenses.

6. SALES EXPENSES

Operation

911. **Supervision.**

This account shall include the cost of labor and expenses incurred in the general direction and supervision of sales activities, except merchandising. Direct supervision of a specific activity, such as demonstrating, selling, or advertising shall be charged to the account wherein the costs of such activity are included. (See operating expense instruction 1.)

912. **Demonstrating and Selling Expenses.**

This account shall include the cost of labor, materials used and expenses incurred in promotional, demonstrating, and selling activities, except by merchandising, the object of which is to promote or retain the use of utility services by present and prospective customers.

ITEMS

Labor:

1. Demonstrating uses of utility services.
2. Conducting cooking schools, preparing recipes, and related home service activities.
3. Exhibitions, displays, lectures, and other programs designed to promote use of utility services.
4. Experimental and development work in connection with new and improved appliances and equipment, prior to general public acceptance.
5. Solicitation of new customers or of additional business from old customers, including commissions paid employees.
6. Engineering and technical advice to present or prospective customers in connection with promoting or retaining the use of utility services.
7. Special customer canvasses when their primary purpose is the retention of business or the promotion of new business.

Materials and Expenses:

8. Supplies and expenses pertaining to demonstration, and experimental and development activities.
9. Booth and temporary space rental.
10. Loss in value on equipment and appliances used for demonstration purposes.
11. Transportation, meals, and incidental expenses.

914. Revenues from Merchandising, Jobbing and Contract Work.

915. Costs and Expenses of Merchandising, Jobbing and Contract Work.

A. These accounts shall include, respectively, all revenues derived from the sale of merchandise and jobbing or contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission and all expenses incurred in such activities.

B. Records in support of these accounts shall be so kept as to permit ready summarization of revenues, costs and expenses by such major items as are feasible.

NOTE A.—Revenues and expenses of merchandising, jobbing and contract work shall be reported in this account, if a state regulatory body having jurisdiction over the utility requires such income to be reported as an operating expense item; but the revenues and expenses shall be reported in accounts 415 and 416 if such regulatory body requires such income to be reported as nonoperating income. In the absence of a requirement by a state regulatory body, the utility may use these accounts or accounts 415 and 416 at its option, in which case the practice of the utility must be consistent.

NOTE B.—Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes.

ITEMS

Account 914:

1. Revenues from sale of merchandise and from jobbing and contract work.
2. Discounts and allowances made in settlement of bills for merchandise and jobbing work.

Account 915:

Labor:

1. Canvassing and demonstrating appliances in homes and other places for the purpose of selling appliances.
2. Demonstrating and selling activities in sales rooms.
3. Installing appliances on customer premises where such work is done only for purchasers of appliances from the utility.
4. Installing wiring, piping, or other property work on a jobbing
5. Preparing advertising materials for replacement appliance sales purposes.
6. Receiving and handling customer orders for merchandise or for jobbing services.
7. Cleaning and tidying sales rooms.
8. Maintaining display counters and other equipment used in merchandising.
9. Arranging merchandise in sales rooms and decorating display windows.
10. Reconditioning repossessed appliances.
11. Bookkeeping and other clerical work in connection with merchandise and jobbing activities.
12. Supervising merchandise and jobbing operations.

Materials and Expenses:

13. Advertising in newspapers, periodicals, radio, television, etc., directed at the replacement appliance market.
14. Cost of merchandise sold and of materials used in jobbing work.
15. Stores expenses on merchandise and jobbing stocks.
16. Fees and expenses of advertising and commercial artists' agencies.
17. Printing booklets, dodgers, and other advertising data.
18. Premiums given as inducement to buy appliances.
19. Light, heat and power.
20. Rent of sales rooms or of equipment.
21. Transportation expense in delivery and pick-up of appliances

22. Stationery and office supplies and expenses.
23. - Losses from uncollectible merchandise and jobbing accounts.

916. Miscellaneous Sales Expenses.

This account shall include the cost of labor, materials used and expenses incurred in connection with sales activities, except merchandising, which are not includible in other sales expense accounts.

ITEMS

Labor:

1. General clerical and stenographic work not assigned to specific functions.
2. Special analysis of customer accounts and other statistical work for sales purposes not a part of the regular customer accounting and billing routine.
3. Miscellaneous labor.

Materials and Expenses:

4. Communication service.
5. Printing, postage, and office supplies and expenses applicable to sales activities, except those chargeable to accounts 424 or 909.

7. ADMINISTRATIVE AND GENERAL EXPENSES

Operation

920. Administrative and General Salaries.

A. This account shall include the compensation (salaries, bonuses, and other consideration for services, but not including directors' fees) of officers, executives, and other employees of the utility properly chargeable to utility operations and not chargeable directly to a particular operating function.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

921. Office Supplies and Expenses.

A. This account shall include office supplies and expenses incurred in connection with the general administration of the utility's operations which are assignable to specific administrative or general departments and are not specifically provided for in other accounts. This includes the expenses of the various administrative and general departments, the salaries and wages of which are includible in account

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

NOTE.—Office expenses which are clearly applicable to any group of operating expenses other than the administrative and general group shall be included in the appropriate account in such group. Further, general expenses which apply to the utility as a whole rather than to a particular administrative function shall be included in account 930, Miscellaneous General Expenses.

ITEMS

1. Automobile service, including charges through clearing account.
2. Bank messenger and service charges.
3. Books, periodicals, bulletins and subscriptions to newspapers, newsletters, tax services, etc.
4. Building service expenses for customer accounts, sales and administrative and general purposes.
5. Communication service expenses.
6. Cost of individual items of office equipment used by general departments which are of small value or short life.
7. Membership fees and dues in trade, technical, and professional associations paid by a utility for employees. (Company memberships are includible in account 930.)
8. Office supplies and expenses.
9. Payment of court costs, witness fees, and other expenses of legal department.
10. Postage, printing and stationery.
11. Meals, traveling and incidental expenses.

922. Administrative Expenses Transferred—Cr.

This account shall be credited with administrative expenses recorded in accounts 920 and 921 which are transferred to construction costs or to nonutility accounts. (See utility plant instruction 4.)

923. Outside Services Employed.

A. This account shall include the fees and expenses of professional consultants and others for general services which are not applicable to a particular operating function or to other accounts. It shall include also the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not considered as an employee of the utility.

B. This account shall be so maintained as to permit ready summarization according to the nature of service and the person furnishing the same.

ITEMS

1. Fees, pay and expenses of accountants and auditors, actuaries, appraisers, attorneys, engineering consultants, management consultants, negotiators, public relations counsel, tax consultants, etc.
2. Supervision fees and expenses paid under contracts for general management services.

NOTE.—Do not include inspection and brokerage fees and commissions chargeable to other accounts or fees and expenses in connection with security issues which are includible in the expenses of issuing securities.

924. Property Insurance.

A. This account shall include the cost of insurance or reserve accruals to protect the utility against losses and damages to owned or leased property used in its utility operations. It shall include also the cost of labor and related supplies and expenses incurred in property insurance activities.

B. Recoveries from insurance companies or others for property damages shall be credited to the account charged with the cost of the damage. If the damaged property has been retired, the credit shall be to the appropriate account for accumulated provision for depreciation.

C. Records shall be kept so as to show the amount of coverage for each class of insurance carried, the property covered, and the applicable premiums. Any dividends distributed by mutual insurance companies shall be credited to the accounts to which the insurance premiums were charged.

ITEMS

1. Premiums payable to insurance companies for fire, storm, burglary, boiler explosion, lightning, fidelity, riot, and similar insurance.
2. Amounts credited to account 261, Property Insurance Reserve, for similar protection.
3. Special costs incurred in procuring insurance.
4. Insurance inspection service.
5. Insurance counsel, brokerage fees, and expenses.

NOTE A.—The cost of insurance or reserve accruals capitalized shall be charged to construction either directly or by transfer to construction work orders fom this account.

NOTE B.—The cost of insurance or reserve accruals for the following classes of property shall be charged as indicated:

(1) Materials and supplies and stores equipment, to account 163, Stores Expense, or appropriate materials account.
(2) Transportation and other general equipment, to appropriate clearing accounts that may be maintained.
(3) Utility plant leased to others, to account 413, Expenses of Utility Plant Leased to Others.

(4) Nonutility property to the appropriate nonutility income account.
(5) Merchandise and jobbing property, to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work, or account 915, as appropriate.

NOTE C.—The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in property insurance work may be included in accounts 920 and 921, as appropriate.

925. Injuries and Damages.

A. This account shall include the cost of insurance or reserve accruals to protect the utility against injuries and damages claims of employees or others, losses of such character not covered by insurance, and expenses incurred in settlement of injuries and damages claims. It shall also include the cost of labor and related supplies and expenses incurred in injuries and damages activities.

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

ITEMS

1. Premiums payable to insurance companies for protection against claims from injuries and damages by employees or others, such as public liability, property damage, casualty, employee liability, etc., and amounts credited to account 262, Injuries and Damages Reserve, for similar protection.
2. Losses not covered by insurance or reserve accruals on account of injuries or deaths to employees or others and damages to the property of others.
3. Fees and expenses of claim investigators.
4. Payment of awards to claimants for court costs and attorneys' services.
5. Medical and hospital service and expenses for employees as the result of occupational injuries, or resulting from claims of others.
6. Compensation payments under workmen's compensation laws.
7. Compensation paid while incapacitated as the result of occupational injuries. (See note A.)
8. Cost of safety, accident prevention and similar educational activities.

NOTE A.—Payments to or in behalf of employees for accident or death benefits, hospital expenses, medical supplies or for salaries while incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of occupational injuries, shall be charged to account 926, Employee Pensions and Benefits. (See also note B of account 926.)

NOTE B.—The cost of injuries and damages or reserve accruals capitalized shall be charged to construction directly or by transfer to construction work orders from this account.

NOTE C.—Exclude herefrom the time and expenses of employees (except those engaged in injuries and damages activities) spent in attendance at safety and accident prevention educational meetings, if occurring during the regular work period.

NOTE D.—The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in injuries and damages activities may be included in accounts 920 and 921 as appropriate.

926. Employee Pensions and Benefits.

A. This account shall include pensions paid to or on behalf of retired employees, or accruals to provide for pensions, or payments for the purchase of annuities for this purpose, when the utility has definitely, by contract, committed itself to a pension plan under which the pension funds are irrevocably devoted to pension purposes, and payments for employee accident, sickness, hospital, and death benefits, or insurance therefor. Include, also, expenses incurred in medical, educational or recreational activities for the benefit of employees and administrative expenses in connection with employee pensions and benefits.

B. The utility shall maintain a complete record of accruals or payments for pensions and be prepared to furnish full information to the Commission of the plan under which it has created or proposes to create a pension fund and a copy of the declaration of trust or resolution under which the pension plan is established.

C. There shall be credited to this account the portion of pensions and benefits expenses which is applicable to nonutility operations or which is charged to construction unless such amounts are distributed directly to the accounts involved and are not included herein in the first instance.

D. Records in support of this account shall be so kept that the total pensions expense, the total benefits expense, the administrative expenses included herein, and the amounts of pensions and benefits expenses transferred to construction or other accounts will be readily available.

ITEMS

1. Payment of pensions under a nonaccrual or nonfunded basis.
2. Accruals for or payments to pension funds or to insurance companies for pension purposes.
3. Group and life insurance premiums (credit dividends received).
4. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries.
5. Payments for accident, sickness, hospital, and death benefits or insurance.
6. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of occupational injuries, or in excess of statutory awards.
7. Expenses in connection with educational and recreational activities for the benefit of employees.

NOTE A.—The cost of labor and related supplies and expenses of administrative

and general employees who are only incidentally engaged in employee pension and benefit activities may be included in accounts 920 and 921, as appropriate.

NOTE B.—Salaries paid to employees during periods of nonoccupational sickness may be charged to the appropriate labor account rather than to employee benefits.

927. 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, utility service furnished without charge under provisions of franchises.

B. When no direct outlay is involved, concurrent credit for such charges shall be made to account 929, Duplicate Charges—Cr.

C. The account shall be maintained so as to readily reflect the amounts of cash outlays, utility service supplied without charge, and other items furnished without charge.

NOTE A.—Franchise taxes shall not be charged to this account but to account 408, Taxes Other Than Income Taxes.

NOTE B.—Any amount paid as initial consideration for a franchise running for more than one year shall be charged to account 302, Franchises and Consents.

928. Regulatory Commission Expenses.

A. This account shall include all expenses (except pay of regular employees only incidentally engaged in such work) properly includible in utility 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 utility for pay and expenses of such commission, its officers, agents, and employees, and also including payments made to the United States for the administration of the Federal Power Act.

B. Amounts of regulatory commission expenses which by approval or direction of the Commission are to be spread over future periods, shall be charged to account 186, Miscellaneous Deferred Debits, and amortized by charges to this account.

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

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. Office supplies and 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 amounts includible in account 302, Franchises and Consents, account 181, Unamortized Debt Discount and Expense, or account 214, Capital Stock Expense.

929. Duplicate Charges—Cr.

This account shall include concurrent credits for charges which may be made to operating expenses or to other accounts for the use of utility service from its own supply. Include, also, offsetting credits for any other charges made to operating expenses for which there is no direct money outlay.

930. Miscellaneous General Expenses.

This account shall include the cost of labor and expenses incurred in connection with the general management of the utility not provided for elsewhere.

ITEMS

Labor:

1. Miscellaneous labor not elsewhere provided for.

Expenses:

2. Industry association dues for company memberships.
3. Contributions for conventions and meetings of the industry.
4. Experimental and general research work for the industry.
5. Communication service not chargeable to other accounts.
6. Trustee, registrar, and transfer agent fees and expenses.
7. Stockholders meeting expenses.
8. Dividend and other financial notices.
9. Printing and mailing dividend checks.
10. Directors' fees and expenses.
11. Publishing and distributing annual reports to stockholders.

12. Public notices of financial, operating, and other data required by regulatory statutes, not including, however, notices required in connection with security issues or acquisitions of property.

931. Rents.

This account shall include rents properly includible in utility operating expenses for the property of others used, occupied, or operated in connection with the customer accounts, sales and general and administrative functions of the utility. (See Operating Expense Instruction 3.)

Maintenance

932. Maintenance of General Plant.

A. This account shall include the cost assignable to customer accounts, sales and administrative and general functions of labor, materials used and expenses incurred in the maintenance of property, the book cost of which is includible in account 390, Structures and Improvements, account 391, Office Furniture and Equipment, account 397, Communication Equipment, and account 398, Miscellaneous Equipment. (See Operating Expense Instruction 2.)

B. Maintenance expenses on office furniture and equipment used elsewhere than in general, commercial and sales offices shall be charged to the following accounts:

Steam Power Generation	Account 514
Nuclear Power Generation	Account 532
Hydraulic Power Generation	Account 545
Other Power Generation	Account 554
Transmission	Account 573
Distribution	Account 598
Merchandise and Jobbing	Account 416 or 915
Garages, Shops, etc.	Appropriate clearing account, if used

NOTE.—Maintenance of plant included in other general equipment accounts shall be included herein unless charged to clearing accounts or to the particular functional maintenance expense account indicated by the use of the equipment