

Federal Energy Regulatory Commission

§ 125.2

6. Fuel and lubricants for vehicles (including sales and excise taxes thereon).

7. Insurance on garage equipment and transportation equipment, including public liability and property damage.

8. Maintenance of transportation and garage equipment.

9. Compensation of drivers, mechanics, clerks, and other garage employees.

10. Rent of garage buildings and grounds, vehicles or equipment.

11. Replacement of tires, tubes, batteries, etc.

12. Direct taxes, licenses, and permits.

13. Miscellaneous garage supplies, tools, and equipment.

14. Miscellaneous office supplies and expenses, printing, and stationery.

15. Transportation, meals, and incidental expenses.

NOTE A: The pay of employees driving trucks or other transportation equipment incidental to their regular occupation, shall not be included herein but charged directly to the appropriate expense or other account.

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

935 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. For Nonmajor utilities, include also other general equipment accounts (not including transportation 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 (Major only).

Hydraulic Power Generation, Account 545.

Other Power Generation, Account 554.

Transmission, Account 573.

Distribution, Account 598.

Merchandise and Jobbing, Account 416.

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.

PART 104—[RESERVED]

NOTE: For the Uniform System of Accounts for all Public Utilities, see part 101 of this subchapter.

PART 125—PRESERVATION OF RECORDS OF PUBLIC UTILITIES AND LICENSEES

Sec.

125.1 Promulgation.

125.2 General instructions.

125.3 Schedule of records and periods of retention.

AUTHORITY: Secs. 301, 304, 309; 49 Stat. 854, 855, 856, 858, 859; 16 U.S.C. 825, 825c, 825h; Pub. L. 96-511, 94 Stat. 2812 (44 U.S.C. 3501 *et seq.*), unless otherwise noted.

§ 125.1 Promulgation.

(a) This part is prescribed and promulgated as the regulations governing the preservation of records by public utilities subject to the jurisdiction of the Commission and by licensees holding licenses issued by the Commission, to the extent and in the manner set forth therein;

(b) This part shall, as to all public utilities now subject to the jurisdiction of the Commission and as to all present licensees, become effective as herein revised on January 1, 1972. As to any public utility or licensee which may hereafter become subject to the jurisdiction of the Commission, this part shall become effective as of the date when such public utility becomes subject to the jurisdiction of the Commission or on the effective date of the license of such licensee.

[Order 450, 37 FR 6293, Mar. 28, 1972]

§ 125.2 General instructions.

(a) *Scope of this part.* (1) The regulations in this part apply to all books of account and other records prepared by or on behalf of the public utility or licensee. See subsection 64 of the schedule for those records which come into

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possession of the public utility or licensee in connection with the acquisition of property, such as purchase, consolidation, merger, etc.

(2) The regulations in this part shall not be construed as excusing compliance with any other lawful requirement for the preservation of records for periods longer than those prescribed herein.

(3) Unless otherwise specified in the schedule (§125.3), duplicate copies of records may be destroyed at any time: *Provided, however,* That such duplicate copies contain no significant information not shown on the originals.

(4) Records other than those listed in the schedule may be destroyed at the option of the public utility or licensee: *Provided, however,* That records which are used in lieu of those listed shall be preserved for the periods prescribed for the records used for substantially similar purposes. And, *provided further,* That retention of records pertaining to added services, functions, plant, etc., the establishment of which cannot be presently foreseen, shall conform to the principles embodied herein.

(5) Notwithstanding the provisions of the Records Retention Schedule, the Commission may, upon the request of the Company, authorize a shorter period of retention for any record listed therein upon a showing by the Company that preservation of such record for a longer period is not necessary or appropriate in the public interest or for the protection of investors or consumers.

(b) *Designation of supervisory official.* Each public utility or licensee subject to the regulations in this part shall designate one or more persons with official responsibility to supervise the utility's or licensee's program for preservation and the authorized destruction of its records.

(c) *Protection and storage of records.* The public utility or licensee shall provide reasonable protection for records subject to the regulations in this part from damage by fire, floods, and other hazards and, in the selection of storage spaces, safeguards the records from unnecessary exposure to deterioration from excessive humidity, dryness, or lack of proper ventilation.

(d) *Definition of record media.* (1) For the purpose of these regulations, the data constituting the records listed in the schedule may be retained in any of the media forms in Figure 1 of this section, provided that the media selected has a standard life expectancy equal to or in excess of the specified retention period. However, records supporting plant and licensed project cost shall be retained in their original form, unless microfilmed. (See general instruction (j), for periods of retention.) In no instance, except in emergencies, will media regeneration to achieve the full length of period retention be allowed without Commission approval of the request of the company. In emergency cases management shall take such action as prudence calls for and notify the Commission immediately thereafter.

(2) If the media form of the record retained is other than a readable paper copy, then reader and/or printer equipment and related printout programs, if required, shall be provided by the utility for data reference.

(3) The media form initially selected for the record becomes the "original" for that particular record. If subsequent conditions (e.g. improved media life expectancy, increased utility resources, environmental factors) require and the remaining retention period permits a change in the media forms, the utility may convert to another media and dispose of its old equipment, provided the certification processes described in paragraph (e) of this section are observed and data referencing capability is maintained.

FIGURE 1—RECORD MEDIA

Record media/form	Media expected life	Comments and standards
1. Paper and card stock (hardcopy).	Archival permanency.	For each document, paper stock should be selected with a life expectancy equal to or greater than the retention period specified for that document.
2. Tape: Magnetic (including video tape).	5 years	Assumes storage in a controlled environment with a temperature and humidity range of 60°-80° F. and 40-60%, respectively. (Ref. Instruction (g) for specific storage conditions.)

FIGURE 1—RECORD MEDIA—Continued

Record media/form	Media expected life	Comments and standards
Punched	Archival permanency.	For each record, tape media (paper, mylar, metallic base) should be selected with a life expectancy equal to or greater than the retention period specified for that record.
3. Microform-s:		
a. Microfilm, including Computer Output Microfilm (COM), microfiche jackets, and aperture cards.do	Assumes processing to standards and storage in a controlled environment with a temperature and humidity range of 60–80 degrees F. and 40–50% respectively. (Ref. American National Standards Institute (ANSI) standards PH 5.4—1970, PH 1.41—1976, PH 1.28—1979, Ph 1.43—1981, or most current standards as accepted by the National Archives for use by Federal agencies. See 41 CFR. 101–11.5)
b. Updatable type.	Dependent on use of Media.	For temporary records not requiring archival permanency so long as the microform or film selected has a life expectancy equal to, or greater than, the retention period for that record. Same storage conditions as for microfilm.
c. Metallic recording data strips.	Archival permanency.	Same storage conditions as for microfilm.

(e) *Microform, tape and computer output certification.* (1) As the initial recording media—

(i) Except as provided in paragraph (e)(1)(ii) of this section each microform record series:

(A) shall contain, at the beginning, a microform introduction stating the title of the record series, the date prepared, the name of the official responsible for validating or confirming the data contained therein; and

(B) shall be closed with a clear and standard microform notation indicating the completion of the series and the date.

(ii) If an official permanent record series is a computer output product (*i.e.*, output paper or microfilm, jacketed microfiche, or aperture cards), any certification that may otherwise be required under paragraph (e)(1)(i) of this section is not required if:

(A) The series is prepared in accordance with written standard procedures developed, or accepted general business practices followed, by the company that ensure the integrity of record series that are the product of computer output; and

(B) Such procedures or practices include the name or title of the official responsible for validating or confirming the data contained in the record series and confirming that a particular computer output record series was produced in accordance with the standard procedures or practices.

(iii) If after validation, supplemental data and/or corrections (*i.e.*, resulting from computer programming) are required, said microform may be produced separately or as a part of the series rerun, but shall be affixed to the original microform certificate as described in paragraph (e)(1)(i) of this section.

(iv) Each tape record series shall be externally labeled and shall include, as a basic part of the program, at the beginning of that series an introduction stating the record series title, date prepared, the name of the official responsible for validating or confirming the data contained therein and an index where appropriate. Each record series shall be closed with a clear and standard notation indicating the completion of that series and the date.

(2) Conversion from other media—

(i) Each microform record series shall include, as an integral part, a certificate(s) stating that the microforms are direct and facsimile reproductions of the original records and that they have been made in accordance with prescribed instructions. Such certificate(s) shall be executed by a person(s) having personal knowledge of the facts covered thereby.

(ii) Each microform record series shall commence and end with a statement as to the nature and arrangement of the records reproduced, and the date. Rolls of film shall not be cut except to produce jacketed microfiche. Supplemental or retaken film, whether of misplaced or omitted documents or of portions of microform found to be defective, shall be attached to the beginning of the microform record series. However, if a retrieval system using

such methods as, for example, image count indexing or “blipping” is used, the supplemental or retaken film may be attached at the end of the series, if provisions at the beginning of the series advise the viewer of the location of the problem frames and the location of the supplemental or retaken frames. If supplemental or retaken film of misplaced or omitted documents, or of portions of microform found to be defective, are attached to the microform record series, the certificate described in paragraph (e)(1)(i) of this section shall cover the supplemental or retaken film and shall state the reasons for the attachment.

(iii) If, in accordance with the provisions of paragraph (f) of this section, the utility or licensee elects to convert records to the tape media, the same certification provisions specified in paragraph (e)(1)(iii) of this section must be provided in the conversion program.

(f) *Change of media for existing records.* Those records prepared and maintained under previous regulations in a paper media and whose remaining retention period falls within the life expectancy range of any of the media detailed in Figure 1, may be converted to that media at the public utility’s and/or licensee’s option, provided the applicable certification processes described in paragraph (e) of this section are observed and an audit referencing capability maintained.

(g) *Media.* (1) All records created or maintained in a media and a format other than readable entries on paper shall:

(i) Be prepared, arranged, classified, identified, and indexed as to permit the subsequent location, examination, and reproduction of the record to a readable media;

(ii) Be stored in such a manner as to provide reasonable protection from hazards such as fire, flood, theft, etc.; and be maintained in a controlled environment;

(iii) Be regenerated, including proper certification, when damaged. (Also see § 125.2(d)(1).)

(2) The company shall be prepared to furnish, at its own expense, standard facilities for reading media and shall additionally provide, if the Commis-

sion so directs, copies of record in a readable form.

(3) All film stock shall be of approved operationally-permanent-record micro-copying type, which meets the current specifications of the American National Standards Institute.

(h) *Destruction of records.* The destruction of the records permitted to be destroyed under the provisions of the regulations in this part may be performed in any manner elected by the public utility or licensee concerned. Precautions should be taken, however, to macerate or otherwise destroy the legibility of records, the content of which is forbidden by law to be divulged to unauthorized persons.

(i) *Premature destruction or loss of records.* When records are destroyed or lost before the expiration of the prescribed period of retention, a certified statement listing, as far as may be determined, the records destroyed and describing the circumstances of accidental or other premature destruction or loss shall be filed with the Commission within ninety (90) days from the date of discovery of such destruction.

(j) *Schedule of records and periods of retention.* The schedule of records, § 125.3, shows the period of time that designated records shall be preserved. However, records related to plant shall be retained a minimum of 25 years unless accounting adjustments resulting from reclassification and original cost studies have been approved by the regulatory commission having jurisdiction, and either (1) continuing plant inventory records are maintained (see Definition No. 8, “Continuing Plant Inventory Records”, Parts 101 and 104 of this subchapter), or (2) unitization of construction costs appear in work orders, except that those relating to the construction of licensed projects, or additions or betterments thereto for which the Commission has not determined the actual legitimate original cost are to be retained until such cost has been determined. Additionally, all records which affect the determination of amortization reserves related to licensed projects shall be retained until Commission determination and final adjudication is made.

(k) *Retention periods designated “Destroy at option”.* Use of the retention

period, "Destroy at option," in the regulations in this part constitutes authorization for such destruction under the conditions specified for the particular types of records, only if such optional destruction is appropriate to limited managerial interest in such records and if such optional destruction is not in conflict with other legal retention requirements or usefulness of such records in satisfying pending regulatory actions or directives.

(l) *Records of services performed by associated companies.* The public utility or licensee to which the regulations in this part apply shall assure the availability of records of services performed by associated companies for the periods indicated herein, as are necessary, to support the cost of services rendered to it by an associated company.

(m) *Index of records.* At each office of the public utility or licensee where records are kept or stored, such records as are herein required to be preserved shall be so arranged, filed and currently indexed that they may be readily identified and made available to representatives of the Commission.

(n) *Schedule of notes.* (1) For the purpose of the regulation, a stockholder's account may be treated as a closed account at the time that such stockholder ceases to be a holder of record of the particular class and series of stock of the company and the 6-year retention period prescribed herein shall run from that date. If such person subsequently acquires shares of capital stock of the company and thus again becomes a stockholder of the company, the record of such acquisition shall be treated as a new stockholder account.

(2) The terms "bonds" and "debentures," as used in captions (a) through (f) of this item, shall include all debt securities, such as bonds, debentures or notes other than debt securities which evidence temporary borrowings and which are expected to be repaid out of the proceeds of the sale of longer term securities. Typical of such temporary debt securities as described in 4(i) would be notes issued to banks evidencing temporary working capital and construction loans.

(3) Canceled bonds and debentures and paid interest coupons pertaining thereto may be destroyed, provided

that a certificate of destruction giving full descriptive reference to the documents destroyed shall be made by the person or persons authorized to perform such destruction and shall be retained by the company for the period herein prescribed. The certificate of destruction evidencing the destruction of paid interest coupons pertaining to bonds or debentures need not contain a listing of the bond or debenture serial numbers pertaining to such paid interest coupons. When documents represent debt secured by mortgage, the certificate of destruction shall also be authorized by a representative of the trustee(s) acting in conjunction with the person or persons destroying the documents or shall have the trustee(s) acceptance thereon. The certificate of destruction above described may be destroyed 6 years after the payment and discharge of the bonds or debentures or interest coupons described in such certificate.

(4) If a retention period is prescribed elsewhere in the schedule with respect to any document which is included as an exhibit to any filing retained pursuant to the requirements of this item, the company need retain only one copy of such document in its files provided appropriate cross references are established.

(5) Life or mortality study data for depreciation purposes shall be retained for 25 years or for 10 years after plant is retired, whichever is longer.

(Secs. 3, 4, 15, 16, 308; 41 Stat. 1063-1066, 1068, 1072, 1075; 49 Stat. 838-841; 82 Stat. 617 (16 U.S.C. 796, 797, 803, 808, 809, 816, 825b, 825g, 826i); secs. 8, 10, 16; 52 Stat. 825, 826, 830 (15 U.S.C. 717g, 717i, 717o))

[Order 450, 37 FR 6293, Mar. 28, 1972, as amended by Order 567, 42 FR 30615, June 16, 1977; Order 258, 47 FR 42724, Sept. 29, 1982; Order 335, 48 FR 44483, Sept. 29, 1983]

§ 125.3 Schedule of records and periods of retention.

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