

ORIGINAL

Decision No. 61160

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation
on the Commission's Own Motion to
Consider the Adoption of a Revised
Uniform System of Accounts for Gas
Corporations.

Case No. 6998

O R D E R

The Commission having instituted the above-entitled proceeding on its own motion to consider the matter of adopting the uniform system of accounts, effective January 1, 1961, which the Federal Power Commission has adopted and promulgated for natural gas companies, a public hearing having been held, and the Commission having fully considered all the representations made at such hearing and while recognizing that some expense will be incurred by the changeover from the present system nevertheless hereby finds and concludes that it is desirable to establish uniformity in accounting procedures of gas corporations and that it is appropriate and in the public interest to adopt said uniform system of accounts for Class A and Class B gas corporations operating in this state, with certain modifications as hereinafter set forth; therefore,

IT IS HEREBY ORDERED as follows:

1. The Commission, for accounting purposes, hereby adopts the following classifications for gas corporations:

Class A - Gas corporations having annual gas operating revenues of \$2,500,000 or more;

Class B - Gas corporations having annual gas operating revenues of \$1,000,000 or more, but less than \$2,500,000;

Class C - Gas corporations having annual gas operating revenues of \$150,000 or more, but less than \$1,000,000; and

Class D - Gas corporations having annual gas operating revenues of less than \$150,000.

2. The Commission hereby adopts for Class A and Class B gas corporations operating under its jurisdiction, that is, those having annual gas operating revenues of \$1,000,000 or more, the revised uniform system of accounts, effective January 1, 1961, except as modified herein, which has been adopted and promulgated by the Federal Power Commission.

3. Effective January 1, 1961, except as otherwise authorized, all Class A and Class B gas corporations shall keep their accounts in the manner as set forth in said uniform system of accounts as modified herein.

4. Account 117, Gas stored underground-Noncurrent, and Account 164, Gas stored underground-Current, in said uniform system of accounts hereby are modified so as to permit the charging to Account 117 of amounts representing

the cost of gas permanently retained in underground storage as base stock to preserve pressure conditions and, in the event this option is exercised, to permit the accounting for the storage and withdrawal from underground storage of gas, other than base stock, by debits or credits to said Account 164, as appropriate, the gas so stored and withdrawn to be priced in accordance with the appropriate instructions set forth in said Account 117.

5. Subsection (2) of Section A of Account 108, Accumulated provisions for depreciation of gas plant in service, in said uniform system of accounts shall not be construed as requiring the adjustment of the balance in said account when a gas corporation heretofore has adopted the remaining life method of accruing depreciation.

6. Those gas corporations which distribute liquefied petroleum gas are authorized and directed to establish subaccounts under Account 480, Residential sales, and Account 481, Commercial and industrial sales, as appropriate, to record sales of liquefied petroleum gas.

7. Pacific Gas and Electric Company hereby is granted an extension of time to January 1, 1962, to set up the accounts prescribed by the uniform system of accounts herein adopted and to comply with this order.

8. The action of the Commission in so adopting said uniform system of accounts shall not be construed as binding the Commission to approve or to accept any item set out in any account for the purpose of fixing rates or of determining other matters which may come before the Commission.

9. Unless and until hereafter otherwise authorized and directed, Class C and Class D gas corporations shall continue to maintain the uniform system of accounts for gas corporations presently in effect.

Dated at San Francisco, California,
this 13th day of December, 1960.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners