Pt. 125  18 CFR Ch. I (4–1–12 Edition)

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 re-
tention.

AUTHORITY: 16 U.S.C. 825, 825c, and 825h; 44
U.S.C. 3501 et seq.

§ 125.1 Promulgation.

This Part is prescribed and promul-
gated as the regulations governing the
preservation of records by public utili-
ties 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.

[Order 617, 65 FR 48155, Aug. 7, 2000]

§ 125.2 General instructions.

(a) Scope of this part. (1) The regula-
tions in this part apply to all books of
account and other records prepared by
or on behalf of the public utility or li-
censee. See item 40 of the schedule
§ 125.3 for those records that come
into possession of the public utility or
licensee in connection with the acquisi-
tion of property, such as purchase,
consolidation, merger, etc.

(2) The regulations in this part
should not be construed as excusing
compliance with other lawful require-
ments of any other governmental body,
Federal or State, prescribing other
record keeping requirements or for
preservation of records longer than
those prescribed in this part.

(3) To the extent that any Commis-
sion regulations may provide for a
different retention period, the records
should be retained for the longer of the
retention periods.

(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 simi-
lar 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 pe-
riod of retention for any record listed
therein upon a showing by the Com-
pany 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 con-
sumers.

(b) Designation of supervisory official.
Each public utility or licensee subject
to the regulations in this part shall
designate one or more persons with of-
official responsibility to supervise the
utility’s or licensee’s program for pres-
servation and the authorized destruc-
tion of its records.

(c) Protection and storage of records.
The public utility or licensee shall pro-
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 un-
necessary exposure to deterioration
from excessive humidity, dryness, or
lack of proper ventilation.

(d) Record storage media. Each public
utility and licensee has the flexibility
to select its own storage media subject
to the following conditions.

(1) The storage media must have a
life expectancy at least equal to the
applicable record retention period pro-
vided in § 125.3 unless there is a quality
transfer from one media to another with no loss of data.

(2) Each public utility and licensee is required to implement internal control procedures that assure the reliability of, and ready access to, data stored on machine readable media. Internal control procedures must be documented by a responsible supervisory official.

(3) Each transfer of data from one media to another must be verified for accuracy and documented. Software and hardware required to produce readable records must be retained for the same period the media format is used.

(e) Destruction of records. At the expiration of the retention period, public utilities and licensees may use any appropriate method to destroy records.

(f) 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 must be filed with the Commission within ninety (90) days from the date of discovery of the destruction.

(g) Schedule of records and periods of retention. (1) Records related to plant in service must be retained until the facilities are permanently removed from utility service, all removal and restoration activities are completed, and all costs are retired from the accounting records unless accounting adjustments resulting from reclassification and original costs studies have been approved by the regulatory commission having jurisdiction. If the plant is sold, the associated records or copies thereof, must be transferred to the new owners.

(2) Records related to hydroelectric facilities and additions, retirements, and betterments thereto must be retained until:

(i) The Commission has determined the actual legitimate original cost of the facilities, or the licenses are surrendered. If the plant is sold, the associated records or copies thereof, must be transferred to the new owners.

(ii) Records related to the determination of amortization reserves pursuant to section 10(d) of the Federal Power Act must be retained until a final determination and adjudication of the amortization reserves are made.

(h) Retention periods designated ‘‘Destroy at option’’. ‘‘Destroy at option’’ constitutes authorization for destruction of records at management’s discretion if it does not conflict with other legal retention requirements or usefulness of such records in satisfying pending regulatory actions or directives.

(i) Records of services performed by associated companies. Public utilities and licensees must assure the availability of records of services performed by and for associated or affiliated companies with supporting cost information for the periods indicated in §125.3 as necessary to be able to readily furnish detailed information as to the nature of the transaction, the amounts involved, and the accounts used to record the transactions.

(j) Index of records. Public utilities and licensees must arrange, file, and index records so records may be readily identified and made available to Commission representatives.

(k) Rate case. Notwithstanding the minimum retention periods provided in these regulations, if a public utility or licensee wants to reflect costs in a current, future, or pending rate case, or if a public utility or licensee has abandoned or retired a plant subsequent to the test period of the utility’s rate case, the utility must retain the appropriate records to support the costs and adjustments proposed in the current or next rate case.

(l) Pending complaint litigation or governmental proceedings. Notwithstanding the minimum requirements, if a public utility or licensee is involved in pending litigation, complaint procedures, proceedings remanded by the court, or governmental proceedings, it must retain all relevant records.

(m) Life or mortality study data. Life or mortality study data for depreciation purposes must be retained for 25
§ 125.3

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; 62 Stat. 617 (16 U.S.C. 796, 797, 803, 808, 809, 816, 825b, 825g, 826); secs. 8, 10, 16; 52 Stat. 825, 826, 830 (15 U.S.C. 717g, 717i, 717o))


§ 125.3 Schedule of records and periods of retention.

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Schedule of Records and Periods of Retention

<table>
<thead>
<tr>
<th>Item No. and description</th>
<th>Retention period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate and General</td>
<td></td>
</tr>
<tr>
<td>1. Reports to stockholders: Annual reports or statements to stockholders.</td>
<td>5 years.</td>
</tr>
<tr>
<td>2. Organizational documents:</td>
<td>5 years or termination of the corporation’s existence, whichever occurs first.</td>
</tr>
<tr>
<td>(a) Minute books of stockholders’, directors’, and directors’ committee meetings.</td>
<td>6 years after final non-appealable order.</td>
</tr>
<tr>
<td>(b) Titles, franchises, and licenses: Copies of formal orders of regulatory commissions served upon the utility.</td>
<td></td>
</tr>
<tr>
<td>3. Contracts, including amendments and agreements (except contracts provided for elsewhere):</td>
<td>All contracts, related memoranda, and revisions should be retained for 4 years after expiration or until the conclusion of any contract disputes pertaining to such contracts, whichever is later.</td>
</tr>
<tr>
<td>(a) Service contracts, such as for management, accounting, and financial services.</td>
<td></td>
</tr>
</tbody>
</table>