AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

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

§ 125.1 Promulgation.

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.

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

§ 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 item 40 of the schedule (§ 125.3) for those records that come into 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 should not be construed as excusing compliance with other lawful requirements 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 Commission 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 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) *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 provided 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 managements' 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

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

§ 125.3 Schedule of records and periods of retention.

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SCHEDULE OF RECORDS AND PERIODS OF RETENTION

Item No. and description	Retention period
Corporate and General	
1. Reports to stockholders: Annual reports or statements to stockholders.	5 years.
2. Organizational documents:	
(a) Minute books of stockholders', directors', and directors' committee meetings.	5 years or termination of the corporation's existence, whichever occurs first.
(b) Titles, franchises, and licenses: Copies of formal orders of regulatory commissions served upon the utility.	6 years after final non-appealable order.
3. Contracts, including amendments and agreements (except contracts provided for elsewhere):	
(a) Service contracts, such as for management, accounting, and financial services.	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.