

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PUBLIC SERVICE COMMISSION

**UNIFORM SYSTEM OF ACCOUNTS FOR MAJOR AND NONMAJOR
ELECTRIC UTILITIES**

(By authority conferred on the Michigan public service commission by section 5 of 1919 PA 419, MCL 460.55)

R 460.9001 Rescinded.

The content of R 460.9001, the uniform system of accounts for major and nonmajor electric utilities, is omitted from publication in the Michigan Register and Michigan Administrative Code pursuant to MCL 24.257. A synopsis of this rescinded rule is published in the Michigan Register, MR 23 January 1, 2010, pursuant to MCL 24.208.

History: 2011 AACCS.

Editor's Note: An obvious error in R 460.9001 was corrected at the request of the promulgating agency, pursuant to Section 56 of 1969 PA 306, as amended by 2000 PA 262, MCL 24.256. The rule containing the error was published in *Annual Administrative Code Supplement*, 2011. The memorandum requesting the correction was published in *Michigan Register*, 2015 MR 11.

R 460.9002 Adoption by reference of federal standards.

Rule 1. (1) The federal uniform system of accounts for major and nonmajor electric utilities promulgated by the Federal Energy Regulatory Commission and codified at 18 CFR part 101 and by Volume 88, Federal Register, Number 192, pages 69294 to 69388 (Oct. 5, 2023), is adopted by reference in these rules as of January 1, 2025. The rules are prescribed for the use of all electric utilities under the jurisdiction of the public service commission, subject to the following exceptions and conditions unless otherwise ordered by the public service commission:

(a) All orders and practices of the public service commission in effect as of the effective date of this rule with accounting impacts that conflict with provisions of the uniform system of accounts for major and nonmajor electric utilities at the request of or affecting each specific utility remain in effect, and future orders and practices with accounting impacts supersede the provisions of the uniform system of accounts for major and nonmajor electric utilities for retail jurisdictional purposes in this state.

(b) All references to federal statutes, federal regulations, and other federal documents are inapplicable where they are not applicable to the jurisdiction exercised by the public service commission.

(c) Nothing in these rules affects the validity of accounting practices approved in public service commission orders issued before the effective date of these rules. A utility

subject to an order may conform the related accounts to the updated accounts adopted by these rules, with notice to the public service commission.

(d) The public service commission may authorize electric utilities to utilize account numbers not listed in the Federal Energy Regulatory Commission's uniform system of accounts for major and nonmajor electric utilities.

(e) The electric utilities under the jurisdiction of the public service commission shall apply to the public service commission for retail jurisdictional use of the following accounts:

(i) Account 182.1 - Extraordinary property losses.

(ii) Account 182.2 - Unrecovered plant and regulatory study costs.

(iii) Account 182.3 - Other regulatory assets.

(iv) Account 254 - Other regulatory liabilities.

(v) Account 407 - Amortization of property losses, unrecovered plant and regulatory study costs.

(vi) Account 407.3 - Regulatory debits.

(vii) Account 407.4 - Regulatory credits.

(f) In addition to the accounts listed in 18 CFR part 101, the following accounts are adopted to maintain consistency with accounts previously required by the public service commission:

(i) Account 246 - Federal income taxes accrued for prior years.

(ii) Account 246.1 - State and local taxes accrued for prior years.

(iii) Account 247 - Federal income taxes accrued for prior years - adjustments.

(iv) Account 247.1 - State and local taxes accrued for prior years - adjustments.

(2) Each electric utility subject to this rule shall file the following with the public service commission:

(a) In utility filings and other correspondence with the Federal Energy Regulatory Commission or its staff, on and after the effective date of this rule, regarding the utility's accounting practices or the uniform system of accounts for major and nonmajor electric utilities, including, but not limited to, requests for accounting guidance or approval of accounting entries, or both, the portion of the initial filing or correspondence by the utility relating to accounting practices or the uniform system of accounts for major and nonmajor electric utilities, and the final disposition of the matter.

(b) In other changes in the utility's accounting practices prompted by the Federal Energy Regulatory Commission orders, directives, or correspondence, a written explanation of the change in practice.

(c) In the regular periodic or special compliance audits performed on and after the effective date of this rule by the federal energy regulatory commission or its staff, notification of the commencement of the audit and a copy of the final audit report.

(3) The adopted regulations are available at www.govinfo.gov/app/collection/cfr/ at no charge as of the time of the adoption of these rules. A printed copy of the code of federal regulations, Title 18, conservation of power and water resources, parts 1-399, revised as of April 1, 2024, is available from the United States Government Printing Office, 732 North Capitol Street, North West, Washington, D.C. 20401, or by telephone at 1-866-512-1800 (toll free) or 202-512-1800 for a cost as of the time of the adoption of these rules of \$68.00. The uniform system of accounts may also be purchased online at <http://bookstore.gpo.gov/>, or from the Department of Licensing and

Regulatory Affairs, Michigan Public Service Commission, 7109 West Saginaw Highway, Lansing, Michigan, 48917 for a cost as of the time of adoption of these rules of \$68.00, plus shipping and handling.

History: 2011 AACCS; 2025 MR 9, Eff. May 7, 2025.

Editor's Note: An obvious error with the effective date was corrected at the request of the promulgating agency, pursuant to Section 56 of 1969 PA 306, as amended by 2000 PA 262, MCL 24.256. The error was published in Michigan Register, 2025 MR 9. The memorandum requesting the correction was published in Michigan Register, 2025 MR 10.

R 460.9003 Adoption by reference of federal standards.

Rule 1. (1) The federal uniform system of accounts for rural utilities service electric borrowers promulgated by the United States Department of Agriculture and codified at 7 CFR 1767, as amended through January 1, 2024, is adopted by reference in these rules as of January 1, 2025. The rules are prescribed for the use of electric cooperatives under the jurisdiction of the public service commission, subject to the following exceptions and conditions, unless otherwise ordered by the Michigan public service commission:

(a) The rules do not apply to electric cooperatives that have elected to be member-regulated and have complied with the requirements of the electric cooperative member-regulation act, 2008 PA 167, MCL 460.31 to 460.39.

(b) The federal uniform system of accounts for rural utilities service electric borrowers supersedes the federal system of accounts for major and nonmajor electric utilities if there is a conflict.

(c) All orders and practices of the public service commission in effect as of the effective date of this rule with accounting impacts that conflict with provisions of the uniform system of accounts for rural utilities service electric borrowers at the request of or affecting each specific utility remain in effect, and future orders and practices with such impacts supersede the provisions of the uniform system of accounts for rural utilities service electric borrowers for retail jurisdictional purposes in this state.

(d) All references to federal statutes, federal regulations, and other federal documents are inapplicable where they do not apply to the jurisdiction exercised by the Michigan public service commission.

(2) Each electric cooperative subject to this rule shall file the following with the Michigan public service commission:

(a) In utility filings and other correspondence with the United States Department of Agriculture or its staff, on and after the effective date of this rule, regarding the utility's accounting practices or the uniform system of accounts for rural utilities service electric borrowers, including, but not limited to, requests for accounting guidance or approval of accounting entries, or both, the portion of the initial filing or correspondence by the utility relating to accounting practices or the uniform system of accounts for rural utilities service electric borrowers, and the final disposition of the matter.

(b) In other changes in the utility's accounting practices prompted by the United States Department of Agriculture orders, directives, or correspondence, a written explanation of the change in practice.

(c) In the regular periodic or special compliance audits performed on and after the effective date of this rule by the United States Department of Agriculture or its staff, notification of the commencement of the audit and a copy of the final audit report.

(3) The adopted regulations are available at www.govinfo.gov/app/collection/cfr/ at no charge as of the time of the adoption of these rules. A printed copy of the code of federal regulations, Title 7, Agriculture, parts 1700-1799, revised as of January 1, 2024, is available from the United States Government Printing Office, 732 North Capitol Street, North West, Washington, D.C. 20401, or by telephone at 1-866-512-1800 (toll free) or 202-512-1800 for a cost of as of the time of the adoption of these rules of \$55.00. The uniform system of accounts may also be purchased online at <http://bookstore.gpo.gov/>, or from the Department of Licensing and Regulatory Affairs, Michigan Public Service Commission, 7109 West Saginaw Highway, Lansing, Michigan, 48917 for a cost as of the time of adoption of these rules of \$55.00, plus shipping and handling.

History: 2011 AACS; 2025 MR 9, Eff. May 7, 2025.

Editor's Note: An obvious error with the effective date was corrected at the request of the promulgating agency, pursuant to Section 56 of 1969 PA 306, as amended by 2000 PA 262, MCL 24.256. The error was published in Michigan Register, 2025 MR 9. The memorandum requesting the correction was published in Michigan Register, 2025 MR 10.

R 460.9019 Rescission.

Rule 19. The uniform system of accounts for electric utilities, being R 460.3000 to R 460.5977 of the Michigan Administrative Code and appearing on pages 1535 to 1772 of the 1960 Annual Supplement to the Code and pages 3399 to 3403 of the 1964-65 Annual Supplements to the Code, is rescinded.

History: 1979 AC; 1986 AACS.