

Amounts recorded in this account should be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The Amortization should be on a monthly basis, with the amounts thereof to be credited to account for "Interest on long-term debt" or account for "Short term interest and other interest expense as appropriate.

239 Gross Value of Contributions, Grants/Customer Advances for Construction

This account should record non-refundable contributions or grants in cash, services or property from governments or government agencies, corporations, individuals and others for contributions in aid of construction.

This account shall be maintained in a manner that will furnish complete information respecting the purpose of each contribution or grant.

240 Regulatory liabilities

This account should record the amounts of regulatory liabilities, not included in other accounts, imposed on the licensee by the ratemaking actions of the Energy Regulator.

The amounts included in this account are to be established by those credits which would have been included in net income determinations in the current period under the general requirements of the regulatory accounts but such items will be included in a different period(s) for purposes of developing the rates that the licensee is authorized to charge for its regulated services; or where refunds to customers, not provided for in other accounts, will be required.

The amounts recorded in this account generally are to be credited to the same account that would have been credited if included in income when earned except:

If it is later determined and approved by the Energy Regulator that the amounts recorded in this account will not be returned to customers through rates or refunds, such amounts should be credited to the account for "Extraordinary income", as appropriate, in the year such determination is made.

The records supporting the entries to this account should be so kept that the licensee can furnish full information as to the nature and amount of each regulatory liability included in this account, including justification for inclusion of such amounts in this account.

241 Other deferred credits

This account should record advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received.

12 Text Pertaining to Non-Current Liabilities Accounts

12.1 Non-Current Liabilities

245 Provision for Pension and Benefits

This account should record the credit balances representing the liability of the company for amounts contributed by employees and by the company through debits to expenses for (i) pensions, (ii) accident and death benefits, (iii) savings, (iv) relief, and (v) hospital or other provident purposes; and the credit balances representing the liability of the company for amounts provided by debits to expenses in respect of deferred compensation under an employees' profit-sharing plan.

Separate sub-accounts should be kept for each kind of reserve created herein.

Disbursements should be debited to this account and any excess of such disbursements over the amounts appropriated should be transferred to account for Injuries and Damages or to the account for Employee Benefits, as applicable.

255 Long-Term Debt--Bonds and other Long-term Debt

This account should record in a separate sub-account for each class and series of bonds the face value of the actually issued and un-matured bonds which have not been retired or cancelled; also the face value of such bonds issued by others the payment of which has been assumed by the licensee, as well as, until maturity, all long-term debt not otherwise provided for.

Separate sub-accounts should be maintained for each class of obligation, and records should be maintained to show for each class all details as to date of obligation, date of maturity, interest dates and rates, security for the obligation, etc.

256 Long-Term Debt--Advances from Affiliated Companies

This account should record the long-term portion of notes and other payables, to affiliated companies not otherwise provided for and the amount of open book accounts representing advances from affiliated companies. The current portion of which should not be recorded in this account, but should be recorded in the account for, Accounts payable to affiliated companies

The records supporting the entries to this account should be so kept that the licensee can furnish complete information concerning each note and open account.

265 Other Non-Current Liabilities

This account is the rolled up sum of the amounts recorded in the following sub-accounts:-

265.001 Obligations under capital lease--non current

This account should record the portion not due within one year, of the obligations recorded for the amounts applicable to leased property recorded as assets in the account for "Property under capital leases" or account for "Non-regulated property".

265.002 Accumulated provision for self insurance

This account should record amounts reserved by the licensee for losses through accident, fire, flood, or other hazards to its own property or property leased from others, and for losses for bodily injury and property damage to third parties, not covered by insurance. The amounts charged to the account for "Injuries and damages", or other appropriate accounts to cover such risks should be credited to this account. A schedule of risks covered should be maintained, giving a description of the property involved, the character of the risks covered and the rates used. This account should be debited by amounts actually incurred by the licensee for the losses noted above.

Charges should be made to this account for losses covered. Details of these charges should be maintained according to the year the casualty occurred which gave rise to the loss.

All claims charged to this account will be subject to scrutiny by the Energy Regulator and interested parties and the onus will be on the licensee to justify that customers should bear the costs.

265.003 Asset retirement obligations

This account should record the amount of liabilities for the recognition of asset retirement obligations related to Piped-gas plant and non-regulated plant that gives rise to the obligations. This account should be credited for the amount of the liabilities for asset retirement obligations with amounts charged to the appropriate regulated plant accounts or non-regulated plant account to record the related asset retirement costs.

The licensee should charge the accretion expense to the account for "Accretion expense" from asset retirement obligation, for regulated plant, the account for "Expenses of gas plant leased to others", for Gas plant leased to others, as appropriate, and credit the account for "Asset retirement obligations".

This account should be debited with amounts paid to settle the asset retirement obligations recorded herein.

The licensee should clear from this account any gains or losses resulting from the settlement of asset retirement obligations in accordance relevant instructions prescribed by the Energy Regulator.

12.2 Owners' Equity

275 Equity Issued

This account should record the rolled up sum from the following sub-accounts:-

275.001 Ordinary shares issued

This account should record the stated or assigned value of common shares of each class issued.

When capital stock is retired, this account should be charged with the amount at which such stock is carried herein.

A separate ledger account should be maintained for each class and series of common shares. The supporting records should show the shares nominally issued, actually issued, and nominally outstanding.

275.005 Preference shares issued

This account should record the stated or assigned value of preference shares of each class issued.

When capital stock is retired, these accounts should be charged with the amount at which such stock is carried herein.

A separate ledger account, with a descriptive title, should be maintained for each class and series of stock. The supporting records should show the shares nominally issued, actually issued, and nominally outstanding.

285 Reserves including revaluation reserves

This account should record all operating reserves and provisions maintained by the licensee not provided for elsewhere, maintained in such a manner as to show the amount of each separate reserve and the nature of amounts of the debits and credits thereto

290 Retained Earnings

This account should record the balances, either debit or credit, of Retained Earnings arising from earnings of the licensee. This account should be debited with any dividends declared, payable or paid by the licensee.

This account should exclude any amounts representing the undistributed earnings of subsidiary companies.

13 Text Pertaining to Detailed Gas Plant Accounts

13.1 Intangible Plant

301 Incorporation and organizational start-up

Record into this account all fees paid for incorporation, mergers and acquisition fee, company secretarial expenses, and expenditures specifically incurred to start up the business and putting it into readiness to do licensed business.

Exclude from this account cost of issuing shares, discounts on securities issued or assumed, costs for negotiating loans, selling bonds or other debt or expenses.

302 Franchises and consents

This account should record amounts paid for franchises, consents or certificates, running for a specified term of more than one year, together with necessary and reasonable expenses related to procuring such franchises, consents or certificates of permission and approval, including expenses of organizing and merging separate corporations, where statutes require, solely for the purpose of acquiring franchises. Records supporting this account should be kept so as to show separately the book cost of each franchise or consent

Annual or other periodic payments under franchises shall not be included herein but in the appropriate operating expense account.

303 Miscellaneous intangible plant

This account should record cost of patent rights, licenses, privileges, and other intangible property necessary or valuable in the conduct of regulated operations and not specifically chargeable to any other account prescribed herein.

13.2 Transmission Plant

21.080.304.001 Land

This account should record the cost of land used in connection with transmission operations.

21.080.304.004 Land rights

This account should record the cost of land rights used in connection with transmission operations.

21.080.305.001 Compressor Buildings, fixtures and improvements

This account should record the cost of buildings, fixtures and improvements used in connection with compressor function of gas transmission operations.

21.080.316.001 Measuring and Regulating Structures and Improvements

This account should record the cost of structures, related facilities and improvements used in connection with the measuring and regulating function of Piped-gas transmission operations.

21.080.317.001 Other Structures and Improvements

This account should record the cost of structures and related facilities used in Piped-gas transmission operations not provided for elsewhere.

21.080.318.001 Mains

This account should record the cost of installed line pipe and line pipe fittings laid in the construction of Piped-gas transmission lines between the discharge valve of a station and the suction valve of the next station, including pipe from receiving meters to delivery meters.

This account should also record the cost of re-opening the trench and back-filling, subsequent to the original construction, for the purpose of applying the original protection and casing.

21.080.319.001 Compressor Equipment

This account should record the cost of compressors and associated equipment used in connection with gas transmission operations.

21.080.320.001 Measuring and Regulating Equipment

This account should record the cost of meters, gauges and other equipment used in measuring or regulating gas in connection with gas transmission operations.

21.080.321.001 Communication Structures and Equipment

This account should record the cost of telephone, radio, mobile communications and other communication structures and equipment used wholly or solely in connection with gas transmission operations.

21.080.322.001 Other Transmission Equipment

This account should record the cost of equipment used in gas transmission operations and not provided for elsewhere.

21.080.326 Base Pressure Gas

This account should record gas in transmission that is required as a base pressure for the operation of transmission areas, valued at average cost on a consistent basis.

13.3 Storage Plant

22.080.304.001 Land

This account should record the cost of land used in connection with Piped-gas storage operations.

22.080.304.004 Land rights

This account should record the cost of land rights used in connection with Piped-gas storage operations.

22.080.305.001 Storage Buildings, fixtures and improvements

This account should record the cost of structures, improvements and related facilities used in connection with the storage function of Piped-gas operations, and the cost of clearing, levelling or grading land both before and after construction of these structures or facilities.

22.080.319.001 Compressor Equipment

This account should record the cost of compressor equipment used to deliver gas to storage or to withdraw gas from storage for delivery to the transmission or distribution system.

22.080.320.001 Measuring and Regulating Equipment

This account should record the cost of meters, gauges and other equipment used in measuring or regulating deliveries of gas to underground storage and withdrawals of gas from underground storage.

22.080.323.001 Wells and Gas-Holders-Storage

This account should record the cost of wells used for injection and withdrawal of gas from storage as well as record the cost of gas-holders used in the storage of gas.

22.080.324.001 Wells and Gas-Holders-Storage Equipment

This account should record the cost of equipment, in or at wells, used for injection and withdrawal of gas from storage as well as equipment associated with gas-holders storage.

22.080.325.001 Field Lines

This account should record the costs of installed pipelines used in conveying gas from the point of connection with gathering or transmission lines to storage wells and from storage wells to the point where the gas enters the transmission or distribution system.

22.080.326 Base Pressure Gas

This account should record gas in storage that is required as a base pressure for the operation of storage areas, valued at average cost on a consistent basis.

22.080.327.001 Other Gas Storage Equipment

This account should record the cost of equipment used in connection with storage of gas and not provided for elsewhere in the accounts prescribed herein.

13.4 Distribution Plant

23.080.304.001 Land

This account should record the cost of land used in connection with distribution operations.

23.080.304.004 Land rights

This account should record the cost of land rights used in connection with distribution operations.

23.080.305.001 Storage Buildings, fixtures and improvements

This account should record the cost of structures, improvements and related facilities used in connection with the distribution function of Piped-gas operations.

23.080.318.001 Mains

This account should record the installed cost of distribution system mains from the transmission line to customer service lines.

23.080.319.001 Compressor Equipment

This account should record the cost of compressors and associated equipment, including NGV compressor equipment and associated refuelling equipment, used for distribution operations.

23.080.320.001 Measuring and Regulating Equipment

This account should record the cost of meters, gauges, regulators and associated equipment used for measuring or regulating gas for distribution operations.

Note: The cost of meters for measuring gas delivered to customers should be recorded in the account for "Meters".

23.080.326 Base Pressure Gas

This account should record gas in distribution that is required as a base pressure for the operation of distribution areas, valued at average cost on a consistent basis.

23.080.328.001 Services

This account should record the cost of installed service pipes, from the point at which the main is tapped to and including the meter shut off stop, whether inside or outside of the customers' premises. This includes also such service pipes paid for by the customer but for which the licensee has assumed full responsibility for the maintenance and replacement of such facilities.

Services that have been used, but have become inactive, shall be retired from plant in service immediately if there is no prospect for re-use, and, in any event, shall be transferred from this

account and control account for "Gas Plant in Service", to the account for "Gas Plant Held For Future Use".

The company should maintain records to show separately the number and average length of services of each diameter and material, the book cost of which is included in this account; those through which gas is being delivered; those that have been used but that are inactive; and those to which no meters are attached.

23.080.329.001 Regulators and Meter Installations

This account should record the cost of regulators whether actually installed or held in reserve, as well as, record the cost of labour and materials used, and expenses incurred in the original installation of regulators and meters. For accounting convenience, the cost of the regulator and meter and the installation costs may be transferred annually to the account for "Services".

23.080.330.001 Meters

This account should record the cost of meters or devices for use in measuring the quantity of gas delivered to customers, whether actually in service or held in reserve.

The records covering meters should be maintained so that the licensee can furnish information as to the number of meters of various capacities in service and in reserve as well as the location of each meter owned.

23.080.331.001 Other Distribution equipment

This account should record the cost of all other installed distribution system equipment provided for elsewhere herein.

13.5 Trading Plant

24.090.304.001 Land

This account should record the cost of land used in connection with Piped-gas trading operations.

24.090.304.004 Land rights

This account should record the cost of land rights used in connection with Piped-gas trading operations.

24.090.305.001 Storage Buildings, fixtures and improvements

This account should record the cost of structures, improvements and related facilities used in connection with the trading function of Piped-gas operations.

24.090.318.001 Mains

This account should record the installed cost of mains used for gas trading operations that are not otherwise included in transmission or storage or distribution operations.

24.090.319.001 Compressor Equipment

This account should record the cost of compressors and associated equipment, for gas trading operations that are not otherwise included in transmission or storage or distribution operations.

24.090.320.001 Measuring and Regulating Equipment

This account should record the cost of meters, gauges, regulators and associated equipment used for measuring or regulating gas for gas trading operations, that are not otherwise included in transmission or storage or distribution operations.

24.090.328.001 Services

This account should record the cost of installed service pipes used for gas trading operations that are not otherwise included in transmission or storage or distribution operations. This includes also such service pipes paid for by the customer but for which the licensee has assumed full responsibility for the maintenance and replacement of such facilities.

Services that have been used, but have become inactive, shall be retired from plant in service immediately if there is no prospect for re-use, and, in any event, shall be transferred from this account and control account for "Gas Plant in Service", to the account for, "Gas Plant Held For Future Use".

The company should maintain records to show separately the number and average length of services of each diameter and material, the book cost of which is included in this account; those through which gas is being delivered; those that have been used but that are inactive; and those to which no meters are attached.

24.090.329.001 Regulators and Meter Installations

This account should record the cost of regulators whether actually installed or held in reserve, used for gas trading operations that are not otherwise included in transmission or storage or distribution operations. This account should also include records of the cost of labour and materials used, and expenses incurred in the original installation of regulators and meters for gas trading operations. For accounting convenience, the cost of the regulator and meter and the installation costs may be transferred annually to the account for "Services".

24.090.330.001 Meters

This account should record the cost of meters or devices for use in measuring the quantity of gas delivered to customers, whether actually in service or held in reserve, for gas trading

operations that are not otherwise included in transmission or storage or distribution operations.

The records covering meters should be maintained so that the licensee can furnish information as to the number of meters of various capacities in service and in reserve as well as the location of each meter owned.

24.090.331.001 Other Gas Trading equipment

This account should record the cost of all other installed equipment used for gas trading operations that are not otherwise included in transmission or storage or distribution operations and provided for elsewhere.

13.6 Liquefaction Plant

25.GGG.304.001 Land

This account should record the cost of land used in connection with Piped-gas liquefaction operations.

25.GGG.304.004 Land rights

This account should record the cost of land rights used in connection with Piped-gas liquefaction operations.

25.GGG.305.001 Storage Buildings, fixtures and improvements

This account should record the cost of structures, improvements and related facilities used in connection with the liquefaction function of Piped-gas operations.

25.GGG.319.001 Compressor Equipment

This account should record the cost of compressors and associated equipment, for liquefaction operations.

25.GGG.320.001 Measuring and Regulating Equipment

This account should record the cost of meters, gauges, regulators and associated equipment used for measuring or regulating gas for liquefaction operations.

25.GGG.326 Base Pressure Gas

This account should record gas in liquefaction that is required as a base pressure for the operation of liquefaction areas, valued at average cost on a consistent basis.

25.GGG.331.001 Other liquefaction equipment

This account should record the cost of equipment used in gas liquefaction operations and not provided for elsewhere

13.7 Re-gasification Plant

26.GGG.304.001 Land

This account should record the cost of land used in connection with Piped-gas re-gasification operations.

26.GGG.304.004 Land rights

This account should record the cost of land rights used in connection with Piped-gas re-gasification operations.

26.GGG.305.001 Storage Buildings, fixtures and improvements

This account should record the cost of structures, improvements and related facilities used in connection with the re-gasification function of Piped-gas operations.

26.GGG.319.001 Decompression/Compressor Equipment

This account should record the cost of compressors and associated equipment, for re-gasification operations.

26.GGG.320.001 Measuring and Regulating Equipment

This account should record the cost of meters, gauges, regulators and associated equipment used for measuring or regulating gas for re-gasification operations.

26.GGG.326 Base Pressure Gas

This account should record gas in re-gasification that is required as a base pressure for the operation of re-gasification areas, valued at average cost on a consistent basis.

26.GGG.331.001 Other re-gasification equipment

This account should record the cost of equipment used in gas re-gasification operations and not provided for elsewhere

13.8 General Plant**27. GGG.304.001 Land**

This account should record the cost of land used for Piped-gas purposes, the cost of which cannot be properly included in other land accounts.

27. GGG.304.004 Land Rights

This account should record the cost of land rights used for Piped-gas purposes, the cost of which cannot be properly included in other land rights accounts.

27. GGG.305.001 Buildings, Fixtures and Improvements

This account should record the cost of buildings, fixtures and improvements used for Piped-gas purposes, the cost of which cannot be properly included in other buildings, fixtures and improvements accounts.

27. GGG.330.001 Office Furniture and Equipment

This account should record the cost of owned office furniture and equipment devoted to Piped-gas service, and not permanently attached to buildings, except the cost of such furniture and equipment which the licensee elects to assign to other plant accounts on a functional basis.

This account should be maintained in such a manner as to provide the cost of each piece of equipment, and be subdivided into as many classifications as are required.

27. GGG.331.001 Computer Hardware and Voice & Data Network Equipment

This account should record the cost of computer hardware including telephone network equipment for general use in connection with Piped-gas operations. Hardware includes all physical equipment associated with computer input, processing, storage, retrieval and output functions.

This account should be subdivided as deemed appropriate

27. GGG.331.003 Computer Software and Applications

This account should record the installed cost of developed and purchased computer application software.

This account should be subdivided as deemed appropriate.

27. GGG.332.001 Transportation Equipment, Fleet Vehicles

This account should record the cost of fleet vehicles generally used in connection with Piped-gas operations.

This account should be subdivided as deemed appropriate, and the account should be maintained in such a manner as to provide the cost of each piece of equipment.

NOTE: Non-fleet, work and service equipment should be recorded in the account for "Heavy Equipment/Power operated equipment"

27. GGG.333.001 Tools and Work Equipment

This should record:-

(a) the cost of tools and other items of equipment that are used in the construction, operation or maintenance of the gas pipeline system and that are not included in the account for Heavy Work Equipment;

- (b) the cost of garage equipment; and
- (c) the cost of large equipment of a non-movable nature.

27. GGG.335.001 Heavy Equipment/Power Operated Equipment

This account should record the cost of power operated equipment used in construction or repair work of Piped-gas operations, exclusive of equipment that can be included in other accounts. Include, also, the tools and accessories acquired for use with such equipment and the vehicle on which such equipment is mounted.

27. GGG.336.001 Mobile Communication Structures and Equipment

This account should record the cost of mobile and wireless equipment for general use in connection with Piped-gas operations.

27. GGG.337.001 Other Equipment

This account should record cost of equipment, apparatus, etc., used in the Piped-gas operations, not provided for elsewhere herein.

Examples include miscellaneous equipment items such as:-

1. Hospital and infirmary equipment.
2. Kitchen equipment.
3. Employees' recreation equipment.
4. Radios.
5. Restaurant equipment.
6. Soda fountains.
7. Operators' cottage furnishings.
8. Other miscellaneous equipment.

NOTE: Miscellaneous equipment of the nature indicated above wherever practicable should be included in the gas plant accounts on a functional basis.

27.GGG.339.001 Equipment of Customers' Premises

This account should record the cost, including delivery, installation and inspection, of rental equipment owned by the regulated entity installed on customers' premises that is not includible in other accounts.

14 Text Pertaining to Accumulated Depreciation Accounts

14.1 Transmission Plant Accumulated Depreciation

These accounts should be credited with the amounts charged to the Depreciation expense account, for current depreciation expense for transmission plant in service. The records should be maintained with separate sub-account for each asset class as follows:-

| | |
|----------------|--|
| 21.080.305.002 | Buildings, fixtures and improvements |
| 21.080.305.005 | Leasehold improvements |
| 21.080.306.002 | Products Storage Equipment |
| 21.080.307.002 | Pipelines |
| 21.080.315.002 | Compressor Structures and Improvements |
| 21.080.316.002 | Measuring and Regulating Structures and Improvements |
| 21.080.317.002 | Other Structures and Improvements |
| 21.080.318.002 | Mains |
| 21.080.319.002 | Compressor Equipment |
| 21.080.320.002 | Measuring and Regulating Equipment |
| 21.080.321.002 | Communication Structures and Equipment |
| 21.080.322.002 | Other Transmission Equipment |

At the time of retirement of depreciable gas plant, this account should be charged with the book cost of the property retired and the cost of removal and should be credited with the salvage value and any other amounts recovered, such as insurance or self insurance. When retirement, costs of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate sub-account. Upon completion of the work order, the proper distribution to subdivisions of this account should be made.

When transfers of plant are made from one gas plant account to another, or from or to another licensee department, or from or to non-regulated property accounts, any related amounts carried in the accounts for accumulated provision for amortization should be transferred but segregation of such amounts should be maintained.

14.2 Storage Plant Accumulated Depreciation

These accounts should be credited with the amounts charged to the Depreciation expense account, for current depreciation expense for storage plant in service. The records should be maintained with separate sub-account for each asset class as follows:-

| | |
|----------------|---|
| 22.080.305.002 | Buildings, fixtures and improvements |
| 22.080.319.002 | Compressor Equipment |
| 22.080.320.002 | Measuring and Regulating Equipment |
| 22.080.323.002 | Wells and Gas-Holders-Storage |
| 22.080.324.002 | Wells and Gas-Holders-Storage Equipment |
| 22.080.325.002 | Field Lines |
| 22.080.326 | Base Pressure Gas |
| 22.080.327.002 | Other Gas Storage Equipment |

At the time of retirement of depreciable gas plant, this account should be charged with the book cost of the property retired and the cost of removal and should be credited with the salvage value and any other amounts recovered, such as insurance or self insurance. When retirement, costs of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate sub-account. Upon completion of the work order, the proper distribution to subdivisions of this account should be made.

When transfers of plant are made from one gas plant account to another, or from or to another licensee department, or from or to non-regulated property accounts, any related amounts carried in the accounts for accumulated provision for amortization should be transferred but segregation of such amounts should be maintained.

14.3 Distribution Plant Accumulated Depreciation

These accounts should be credited with the amounts charged to the Depreciation expense account, for current depreciation expense for distribution plant in service. The records should be maintained with separate sub-account for each asset class as follows:-

| | |
|----------------|--------------------------------------|
| 23.080.305.002 | Buildings, fixtures and improvements |
| 23.080.318.002 | Mains |
| 23.080.319.002 | Compressor Equipment |
| 23.080.320.002 | Measuring and Regulating Equipment |
| 23.080.328.002 | Services |
| 23.080.329.002 | Regulators and Meter Installations |
| 23.080.330.002 | Meters |
| 23.080.331.002 | Other Distribution equipment |

At the time of retirement of depreciable gas plant, this account should be charged with the book cost of the property retired and the cost of removal and should be credited with the salvage value and any other amounts recovered, such as insurance or self insurance. When retirement, costs of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate sub-account. Upon completion of the work order, the proper distribution to subdivisions of this account should be made.

When transfers of plant are made from one gas plant account to another, or from or to another licensee department, or from or to non-regulated property accounts, any related amounts carried in the accounts for accumulated provision for amortization should be transferred but segregation of such amounts should be maintained.

14.4 Trading Plant Accumulated Depreciation

These accounts should be credited with the amounts charged to the Depreciation expense account, for current depreciation expense for trading plant in service. The records should be maintained with separate sub-account for each asset class as follows:-

| | |
|----------------|--------------------------------------|
| 24.090.305.002 | Buildings, fixtures and improvements |
| 24.090.318.002 | Mains |
| 24.090.319.002 | Compressor Equipment |
| 24.090.320.002 | Measuring and Regulating Equipment |
| 24.090.328.002 | Services |
| 24.090.329.002 | Regulators and Meter Installations |
| 24.090.330.002 | Meters |
| 24.090.331.002 | Other Distribution equipment |

At the time of retirement of depreciable gas plant, this account should be charged with the book cost of the property retired and the cost of removal and should be credited with the salvage value and any other amounts recovered, such as insurance or self insurance. When retirement, costs of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate sub-account. Upon completion of the work order, the proper distribution to subdivisions of this account should be made.

When transfers of plant are made from one gas plant account to another, or from or to another licensee department, or from or to non-regulated property accounts, any related amounts carried in the accounts for accumulated provision for amortization should be transferred but segregation of such amounts should be maintained.

14.5 Liquefaction Plant Accumulated Depreciation

These accounts should be credited with the amounts charged to the Depreciation expense account, for current depreciation expense for liquefaction plant in service. The records should be maintained with separate sub-account for each asset class as follows:-

| | |
|----------------|--------------------------------------|
| 25.GGG.305.002 | Buildings, fixtures and improvements |
| 25.GGG.319.002 | Compressor Equipment |
| 25.GGG.320.002 | Measuring and Regulating Equipment |
| 25.GGG.331.002 | Other liquefaction equipment |

14.6 Re-gasification Plant Accumulated Depreciation

These accounts should be credited with the amounts charged to the Depreciation expense account, for current depreciation expense for transmission plant in service. The records should be maintained with separate sub-account for each asset class as follows:-

| | |
|----------------|--------------------------------------|
| 26.GGG.305.002 | Buildings, fixtures and improvements |
| 26.GGG.319.002 | Compressor Equipment |
| 26.GGG.320.002 | Measuring and Regulating Equipment |
| 26.GGG.331.002 | Other re-gasification equipment |

14.7 General Plant Accumulated Depreciation

These accounts should be credited with the amounts charged to the Depreciation expense account, for current depreciation expense for general plant in service. The records should be maintained with separate sub-account for each asset class as follows:-

| | |
|----------------|--|
| 27.GGG.304.002 | Land |
| 27.GGG.304.005 | Land Rights |
| 27.GGG.305.002 | Buildings, Fixtures and Improvements |
| 27.GGG.330.002 | Office Furniture and Equipment |
| 27.GGG.331.002 | Computer Hardware and Voice & Data Network Equipment |
| 27.GGG.331.004 | Computer Software and Applications |
| 27.GGG.332.002 | Transportation Equipment, Fleet Vehicles |
| 27.GGG.333.002 | Tools and Work Equipment |
| 27.GGG.334.002 | Measurement and Testing Equipment |
| 27.GGG.335.002 | Heavy Equipment/Power Operated Equipment |
| 27.GGG.336.002 | Mobile Communication Structures and Equipment |
| 27.GGG.337.002 | Other Equipment |
| 27.GGG.338.002 | Other Tangible Property |
| 27.GGG.339.002 | Equipment of Customers' Premises |

At the time of retirement of depreciable gas plant, this account should be charged with the book cost of the property retired and the cost of removal and should be credited with the salvage value and any other amounts recovered, such as insurance or self insurance. When retirement, costs of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate sub-account. Upon completion of the work order, the proper distribution to subdivisions of this account should be made.

When transfers of plant are made from one gas plant account to another, or from or to another licensee department, or from or to non-regulated property accounts, any related amounts carried in the accounts for accumulated provision for amortization should be transferred but segregation of such amounts should be maintained.

15 Text Pertaining to Income Statements Accounts**15.1 Operating Revenue****451 Operating Revenues – (Accounts 500 to 599)**

This account should show the total revenues derived from operations that are recorded in the related accounts set out here as accounts 500 - 599 inclusive.

452 Operating and Maintenance Expense (Accounts 600 to 699)

This account should show the total operating and maintenance expenses that are recorded in the related accounts set out herein as accounts 600 - 699 inclusive.

452 Depreciation

This account should record the amount of depreciation expense for all classes of depreciable gas plant in service. Records should be kept that allow depreciation expense to be shown by plant account.

The licensee should keep such records of property and property retirements as will reflect the service life of property which has been retired and aid in estimating probable service life by appropriate methods; and also such records as will reflect the percentage of salvage and costs of removal for property retired from each account, or subdivision thereof, for depreciable gas plant.

454 Amortization of Gas Plant Acquisition Adjustment

This account should be debited or credited, as the case may be, with approved amounts included in operating expenses for the purpose of providing for the extinguishment of the amount in the account for "Gas plant acquisition adjustments".

455 Regulatory Debits

This account should be debited, when appropriate, with the amounts credited to the account for "Regulatory liabilities", to record regulatory liabilities imposed on the licensee by the ratemaking actions of the Energy Regulator. This account should also be debited, when appropriate, with the amounts credited to the account for "Regulatory assets", concurrent with the recovery of such amounts in rates.

456 Regulatory Credits

This account should be credited, when appropriate, with the amounts debited to the account for "Regulatory assets", to establish regulatory assets. This account shall also be credited, when appropriate, with the amounts debited to the account for "Regulatory liabilities", concurrent with the return of such amounts to customers through rates.

15 Text Pertaining to Income Statements Accounts

15.1 Operating Revenue

451 Operating Revenues – (Accounts 500 to 599)

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456 Regulatory Credits

This account should be credited, when appropriate, with the amounts debited to the account for "Regulatory assets", to establish regulatory assets. This account shall also be credited, when appropriate, with the amounts debited to the account for "Regulatory liabilities", concurrent with the return of such amounts to customers through rates.

457 Taxes other than Income Taxes, Licensed Operating Income

This account should record the amounts of all other taxes assessed, except income taxes. Such taxes may include "payments in- lieu of taxes", municipal and school taxes, property taxes, property transfer taxes, commodity taxes, and franchise fees.

This account should be charged in each accounting period with the amount of taxes which are applicable thereto, with concurrent credits to the account for "Current income taxes payable", or the account for "Prepayments", as appropriate. When it is not possible to determine the exact amount of taxes, the amounts should be estimated and adjustments made in current accruals as the actual tax levies become known.

The charges made to this account should be made or supported so as to show the amount of each tax and the basis upon which each charge is made.

458 Income Taxes, Regulated Activity Operating Income

This account should include the amounts of income taxes on income tax amounts properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals should be made to the account for "Current income taxes payable", and as the exact amounts of taxes become known, the current tax accruals should be adjusted by charges or credits to these accounts, so that these accounts as nearly as can be ascertained should reflect the actual taxes payable by the licensee.

NOTE 1: Taxes assumed by the licensee on interest should be charged to the account for "Short term interest and other interest expense".

NOTE 2: Interest on tax refunds or deficiencies should not be included in these accounts but in the account for "Interest, dividend and other income" or in the account for "Short term interest and other interest expense", as appropriate.

459 Provision for Future Income Taxes, Regulated Activity Income

The balance in this account should represent the amount provided for future income taxes in the fiscal year.

The offsetting entry to this provision should be to the account for accumulated future income taxes (debit) and/or the account for "Accumulated future income taxes (credit)" as per the instructions for those accounts.

461 Revenue from Gas Plant Leased to Others

These accounts should record revenues from gas property constituting a distinct operating unit or system leased by the licensee to others, and which property is properly included in the account for "Gas plant leased to others".

461.1 Expense for Gas Plant Leased to Others

This account should record the expenses attributable to such property leased to others. The detail of expenses should be kept or supported so as to show separately the following:

(1) Operation and Maintenance. (2) Depreciation. (3) Amortization

NOTE: Related taxes should be recorded in the account for "Taxes other than income taxes, regulated activity operating income", or the account for "Income taxes, regulated operating income", as appropriate.

462 Expense for Gas Plant Leased from Others

This account should record expenses for gas plant that is leased by the company from others and that constitutes a distinct operating unit or system.

15.2 Other Income and Deductions

A. Other Income

463 Revenue from Other Plant and non-regulated operations

These accounts should record revenues applicable to operations which are non-regulated but nevertheless constitute a distinct operating activity of the licensee as a whole. It should reflect the total revenues from the operation of plant that is included in the account for "Other Plant".

NOTE: Related taxes should be recorded on the account for "Other deductions".

464 Expense from Other Plant and non-regulated operations

These accounts should record expenses applicable to operations which are non-regulated but nevertheless constitute a distinct operating activity of the enterprise as a whole. It should also reflect the total expenses, but excluding taxes, arising from the operation of the plant included in the account for "Other Plant".

The expenses should include all elements of costs incurred in such operations, and the accounts should be maintained so as to permit ready summarization as follows:

(1) Operation and Maintenance. (2) Rents. (3) Depreciation. (4) Amortization

467 Income from Investments (Interest, Dividend and Other Income)

This account should record interest revenues on securities, loans, notes, advances, special deposits, tax refunds and all other interest-bearing assets, and dividends on stocks of other

companies, whether the securities on which the interest and dividends are received are carried as investments or included in sinking or other special fund accounts.

468 Share of Earnings of Affiliated Companies

This account should record the licensee's equity in the earnings or losses of subsidiary companies for the year.

469.001 Gain on Foreign Exchange

This account should record gains on foreign exchange during the reporting period, including realized gains as well as gains owing to the conversion to the South African Rand equivalent, on regulated assets and liabilities held in foreign currencies, in accordance with the provision of SA GAAP on accounting for such assets and liabilities.

469.002 Loss on Foreign Exchange

This account should record losses on foreign exchange during the reporting period, including realized losses as well as losses owing to the conversion to the Canadian dollar equivalent, on regulated assets and liabilities held in foreign currencies, in accordance with the provision of SA GAAP on accounting for such assets and liabilities.

470 Miscellaneous Income

This account should record all other income items not provided for elsewhere.

471 Allowance for Funds Used During Construction (Credit)

This account should record concurrent credits recorded in the account for "Allowance for Funds Used During Construction" for allowance for other funds used during construction, not to exceed amounts calculated in accordance with a formula prescribed the Energy Regulator

B. Other Income Deductions

NOTE: These (other income deductions) accounts record miscellaneous expense items which are non-operating in nature and properly deductible in determining total income before interest charges. The classification of expenses as non-operating and their inclusion in these accounts is for accounting purposes, but is not automatically allowed by the Energy Regulator for rate making or other purposes.

472 Other Deductions

This account should show the sum rolled up from the following sub accounts:-

472.001 Donations

This account should record all payments or donations for charitable, social or community welfare purposes.

472.002 Life Insurance

This account should record all payments for life insurance of officers and employees where the licensee is a beneficiary (net premiums less increase in cash surrender value of policies).

472.003 Penalties

This account should record payments by the licensee for penalties or fines for violation of any regulatory statutes or any other statutes or bylaws by the licensee or its officials.

472.004 Expenditures for Certain Civic, Political and Related Activities

This account should record expenditures for the purpose of lobbying, or influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances) or approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials, but shall not include such expenditures which are directly related to appearances before regulatory or other governmental bodies in connection with the reporting licensee's existing or proposed operations.

472.005 Other Deductions

This account should record other miscellaneous expenses which are non-operating in nature, but which are properly deductible before determining total income before interest charges.

15.3 Interest Charges

473 Interest on Long-Term Debt

This account should record the amount of interest on outstanding long-term debt issued or assumed by the regulated entity, the liability for which is included in the account for "Bonds and other long-term debt".

This account should be so kept or supported as to show the interest accruals on each class and series of long-term debt.

474 Amortization of Debt Discount, Premium Expenses

This account should be debited or credited, as applicable, during each period, with the proportion of the discount, premium and expense on long-term debt obligations as may be applicable to the period.

475 Interest on Debt Due to Affiliated Companies

This account should record the current accruals of interest of all classes of debt included in the account for Advances from Affiliated Companies or the account for Accounts Payable--Affiliated Companies.

476 Bank Charges, Short-Term Interest and Other Interest Expense

This account should record all bank charges and interest charges not provided for elsewhere.

15.4 Extraordinary Items

481 Extraordinary Income/Deductions – Regulated Plant

This account should show the sum of the amounts rolled up from the following sub-accounts:-

481.001 Gains on Disposition of Regulated Plant

This account should record, as approved by the Energy Regulator, amounts relating to gains from the disposition of future use gas plant, including amounts which were previously recorded in and transferred from the account for "Gas plant held for future use". Income taxes relating to gains recorded in this account should be recorded in the account for "Income taxes, regulated activity operating income."

481.002 Losses on Disposition of Regulated Plant

This account should record, as approved by the Energy Regulator, amounts relating to gains or losses from the disposition of future use gas plant including amounts which were previously recorded in and transferred from the account for "Gas plant held for future use". Income taxes relating to losses recorded in this account should be recorded in the account for "Income taxes, regulated activity operating income."

482 Other Extraordinary Income/Deductions

This account should show the sum of the amounts rolled up from the following sub-accounts:-

482.001 Other Extraordinary Income

This account should be credited with gains of unusual nature and infrequent occurrence, which would significantly distort the current year's income computed before Extraordinary Items, if reported other than as extraordinary items. Income tax relating to the amounts recorded in this account should be recorded in the account for "Income taxes, regulated operating income".

482.002 Other Extraordinary Deductions

This account should be debited with losses of unusual nature and infrequent occurrence, which would significantly distort the current year's income computed before Extraordinary Items, if reported other than as extraordinary items. Income tax relating to the amounts recorded in this account should be recorded in the account for "Income taxes, regulated operating income".

15.5 Retained Earnings

485 Balance transferred from Income