

This account should show the debit or credit balances brought forward from the income accounts for the period.

486 Prior Period Adjustment

Unless otherwise directed by the Energy Regulator, the accounting regulated entity should record in this account all material adjustments to the income of prior reporting periods, and such adjustments should be conducted in accordance with SA GAAP.

489 Dividend Appropriations

This account should record the amount of dividends declared out of retained earnings during the year on all classes of outstanding shares.

Subsidiary records shall be maintained showing separately the dividends declared on each class of shares.

When dividends are paid in other than cash, complete details of each transaction should be maintained.

16 Text Pertaining to Detailed Operating Revenue Accounts

16.1 Revenue for Services - Transmission

500 Transmission of Gas for Others – Domestic

This account should record revenue from the Piped-gas transmission of non-owned gas in the licensee's system for customers domiciled in South Africa.

501 Transmission of Gas for Others – Export

This account should record revenue from the Piped-gas transmission of non-owned gas in the licensee's system for customers domiciled outside South Africa.

502 Rent for Gas Plant

This account should record rent revenues from the use by others of assets included in the account for "Gas Plant in Service".

503 Miscellaneous Transmission Operating Revenues

This account should record revenues earned in consideration of the performance of exchange gas services; and other miscellaneous operating revenue not provided for elsewhere.

16.2 Revenue for Services - Storage

510. Storage of Gas for Others – Domestic

This account should record revenue from the Piped-gas storage of non-owned gas in the licensee's system for customers domiciled in South Africa.

511 Storage of Gas for Others – Export

This account should record revenue from the Piped-gas storage of non-owned gas in the licensee's system for customers domiciled outside South Africa.

512 Rent for Gas Plant

This account should record rent revenues from the use by others of assets included in the account for "Gas Plant in Service".

513 Miscellaneous Storage Operating Revenues

This account should record revenues earned in consideration of the performance of exchange gas services; and other miscellaneous operating revenue not provided for elsewhere.

16.3 Liquefaction Revenues

515 Gas Liquefaction for Others – Domestic

516 Gas Liquefaction for Others – Export

16.4 Re-gasification Revenues

- 517 Re-gasification for Others – Domestic
518 Re-gasification for Others – Export

16.5 Revenue for Services - Distribution**520 Distribution of Gas for Others – Domestic**

This account should record revenue from the Piped-gas distribution of non-owned gas in the licensee's system for customers domiciled in South Africa.

521 Distribution of Gas for Others – Export

This account should record revenue from the Piped-gas distribution of non-owned gas in the licensee's system for customers domiciled outside South Africa.

522 Rent of Gas Plant

This account should record rent revenues from the use by others of assets included in the account for "Gas Plant in Service".

523 Miscellaneous Distribution Operating Revenues

This account should record revenues earned in consideration of the performance of exchange gas services; and other miscellaneous operating revenue not provided for elsewhere.

16.6 Trading in Gas/Gas Sales Revenues**525 Gas Sales - In South Africa**

This account should show the total sum rolled up from the following sub-accounts for gas sales to customers domiciled in South Africa:-

525.001 Residential Sales - Class 1

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Residential Sales-Class 1.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.002 Residential Sales - Class 2

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Residential Sales-Class 2.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.003 Residential Sales - Class 3

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Residential Sales-Class 3.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.004 Residential Sales - Class 4

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Residential Sales-Class 4.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.005 Residential Sales - Class 5

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Residential Sales-Class 5.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.006 Residential Sales - Class 6

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Commercial and Industrial -Class 6.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.007 Commercial and Industrial - Class 1

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Commercial and Industrial -Class 1.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.008 Commercial and Industrial - Class 2

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Commercial and Industrial -Class 2.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.009 Commercial and Industrial - Class 3

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Commercial and Industrial -Class 3.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.010 Commercial and Industrial - Class 4

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Commercial and Industrial -Class 4.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.011 Commercial and Industrial - Class 5

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Commercial and Industrial -Class 5.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.012 Commercial and Industrial - Class 6

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers classified as Commercial and Industrial-Class 6.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

525.013 Sales to Affiliates

This account should record gas sales to affiliates of the reporting entity as well as for own use.

525.014 Other Gas Sales

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers not provided for elsewhere herein.

Records should be maintained so that the quantity of gas sold in gigajoules and the revenue received under each rate schedule is readily available.

526 Any Other Customers Under the Special Regulatory Dispensation:

This account should record gas sales to any other customers under the "Regulatory Agreement Between, The Minister of Mineral and Energy, The Minister of Trade and Industry and Sasol Limited, that would not have been adequately provided for and reported in any of the subaccounts under Account number 525, Gas Sales within South Africa.

This account should be subdivided into the subaccounts so as to separately record sales to each customer class.

527 Export Sales

This account should record revenues from the sale of natural gas, methane rich gas, and other products extracted from gas to Piped-gas regulated entities, other companies or customers domiciled outside South Africa

16.7 Other Operating Revenues

528 Late Payments Penalties

This account shall include revenue from additional charges imposed because of the customers' failure to pay their Piped-gas bills on or before a specified date designated in the billing.

529 Revenue from Service Work

This account should record revenue from service work billed to customers.

530 Rent from Regulated Entity's Equipment of Customers' Premises

This account should revenue from the rental of company-owned equipment on customers' premises.

531 Miscellaneous Operating Revenue

This account record other miscellaneous operating revenue not provided for elsewhere.

17 Text Pertaining to Operating & Maintenance Expenses Accounts

Note: The following items herein grouped under Operating and Maintenance Costs may, as appropriate, be reported as Cost of Sales in the regulatory financial statements:-

- (a) Discounts
- (b) Gas Purchases
- (c) Cost of Network Services – Transmission, Distribution or Storage
- (d) Unaccounted for gas /Change in Stocks
- (f) Other Network Fixed Charges
- (e) Other Network Variable Charges

17.1 Transmission O&M Expenses**601 Supervision**

This account should record the cost of labour, materials and supplies, and expenses incurred at an area, division, district or similar field office or a central warehouse in the general supervision and direction of the operation and maintenance of the transmission facilities.

This account should be subdivided in the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 601.01 Labour/Manpower
- 601.02 Materials and Supplies
- 601.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

602 Transportation of Gas by Others

This account should record the cost of transportation charges paid to others where such charges are separate and not included as part of the delivered price of gas.

603 Communication

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of facilities used in connection with the transmission communication system.

This account should be subdivided in the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 603.01 Labour/Manpower
- 603.02 Materials and Supplies

603.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

604 Pipe Lines

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of transmission system pipe lines and facilities.

This account should be subdivided in the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

604.01 Labour/Manpower

604.02 Materials and Supplies

604.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

606 Compressor

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation & maintenance of transmission system compressor stations and facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

606.01 Labour/Manpower

606.02 Materials and Supplies

606.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

607 Measuring and Regulating

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of transmission system measuring and regulating stations and facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

607.01 Labour/Manpower

607.02 Materials and Supplies

607.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

608 Other Transmission Operations and Maintenance

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of transmission system facilities not includible elsewhere.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

608.01 Labour/Manpower

608.02 Materials and Supplies

608.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

17.2 Storage O&M Expenses

601 Supervision

This account should record the cost of labour, materials and supplies, and expenses incurred in the general supervision of operating and maintaining gas storage facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

601.01 Labour/Manpower

601.02 Materials and Supplies

601.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

606 Compressor

This account should record the cost of labour, supplies and expenses incurred in the operation and maintenance of storage system compressor stations and facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

606.01 Labour/Manpower

606.02 Materials and Supplies

606.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

607 Measuring and Regulating

This account should record the cost of labour, supplies and expenses incurred in the operation and maintenance of storage system measuring and regulating facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

607.01 Labour/Manpower

607.02 Materials and Supplies

607.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

609 Non-Feasible Storage Project Costs

This account should record the cost of labour, materials and supplies, and expenses incurred in the investigation, exploration and development of underground gas storage projects that do not prove feasible.

The net cost of drilling non-operative wells for the purpose of outlining a storage area shall be charged to the account for "Land Rights".

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

609.01 Labour/Manpower

609.02 Materials and Supplies

609.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

Note: The cost of wells that may be drilled within a storage project for purposes of pressure observation should be included in the account for "Wells and Gas-Holders Storage".

610 Wells and Gas-Holders Storage

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of underground storage system wells and gas-holder storage facilities.

This account should record the cost of labour, materials and supplies, and expenses incurred in the investigation, exploration and development of underground gas storage projects that do not prove feasible.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 610.01 Labour/Manpower
- 610.02 Materials and Supplies
- 610.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

611 Leases

This account should record the cost of storage leases and surface leases of gas storage facilities.

612 Unaccounted for Gas

This account should record the amounts of inventory adjustments representing the cost of gas lost or unaccounted for in underground or gas-holder storage operations due to cumulative inaccuracies of gas measurement or other causes.

613 Field Line

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of underground or gas holder storage field lines and facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 613.01 Labour/Manpower
- 613.02 Materials and Supplies
- 613.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

614 Purification

This account should record the cost of labour, materials and supplies, and expenses incurred in operating and maintaining equipment used for purifying, dehydrating and conditioning natural gas in underground or gas-holder storage operations.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

614.01 Labour/Manpower

614.02 Materials and Supplies

614.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

615 Other Storage Operations and Maintenance

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of storage facilities not recorded elsewhere.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

615.01 Labour/Manpower

615.02 Materials and Supplies

615.03 Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

This account shall include in a separate sub-account the cost of labour, materials and supplies, and expenses incurred in the maintenance of structures and improvements for storage facilities.

17.3 Distribution O&M Expenses

601 Supervision

This account should record the cost of labour, materials and supplies, and expenses incurred in the general supervision of operating and maintaining the distribution facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

601.01 Labour/Manpower

601.02 Materials and Supplies

601.03 Other Expenses

606 Compressor

This account should record the cost of labour, including contractor labour, if applicable, materials and supplies, and expenses incurred in the operation and maintenance of distribution system compressor stations and equipment.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

606.01 Labour/Manpower

606.02 Materials and Supplies

606.03 Other Expenses

607 Measuring and Regulating

This account shall record the cost of labour, including contractor labour, if applicable, materials and supplies, and expenses incurred in the operation and maintenance of the distribution system measuring and regulating stations.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

607.01 Labour/Manpower

607.02 Materials and Supplies

607.03 Other Expenses

615 Load Dispatching

This account should record the cost of labour, materials and supplies, and expenses incurred in dispatching and controlling the supply and flow of gas through the distribution system.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

615.01 Labour/Manpower

615.02 Materials and Supplies

615.03 Other Expenses

616 Meter and Regulator Work

This account should record the cost of labour, including contractor labour, if applicable, materials and supplies, and expenses incurred in connection with removing, resetting, changing, testing, and servicing meters and regulators.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

616.01 Labour/Manpower

616.02 Materials and Supplies

616.03 Other Expenses

617 Service Work

This account should record the cost of labour, including contractor labour, if applicable, materials and supplies, and expenses incurred in work on customer premises other than expenses includible in Account No. 673, "Meter and Regulator Work". This account also shall include the cost of servicing customer-owned appliances when the cost of such work is borne by the licensee.

Damage to customer equipment by licensee employees during a job, whether incidental to the work or the result of negligence, shall be charged to that job.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

617.01 Labour/Manpower

617.02 Materials and Supplies

617.03 Other Expenses

618 Mains and Services

This account should record the cost of labour, including contractor labour, if applicable, materials and supplies, and expenses incurred in the operation and maintenance of distribution system mains and services.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

618.01 Labour/Manpower

618.02 Materials and Supplies

618.03 Other Expenses

619 Other Distribution Operations and Maintenance

This account should record the cost of labour, including contractor labour, if applicable, materials and supplies, and expenses incurred in the operation of other distribution facilities not includible elsewhere.

It should also record in a separate sub-account the cost of (a) maintenance of equipment at customer's premises (b) structures and improvements used for the distribution system.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

619.01 Labour/Manpower

619.02 Materials and Supplies

619.03 Other Expenses

17.3 Gas Trading/Gas Supply O&M Expenses

620 Gas Purchases

This account should record the cost of all gas purchased by the licensee from its suppliers. It should also include gas purchased from customers under such arrangements as the "buy and sell" and from the licensee's own production facilities, as well as applicable taxes on all gas purchases.

Details of each source of supply shall be maintained, in subsidiary records, showing volumes and costs.

621 Gas Supply – Operation

This account should record the cost of labour, materials and supplies, and expenses incurred in the supervision and operation of the gas supply activities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

621.01 Labour/Manpower

621.02 Materials and Supplies

621.03 Other Expenses

622 Exchange Gas

This account should record debits or credits for the cost of gas in unbalanced exchange transactions whereby gas is received from another party and receipt and delivery of such gas is not completed during the accounting period. This accounting is not required for minor transactions.

If revenue is earned in consideration of the performance of exchange services, such revenue shall be recorded in the account for "Miscellaneous Operating Revenue".

623 Gas Withdrawn from Storage

This account should record the cost of gas withdrawn from storage during the year. These amounts should be concurrently credited to the account for "Gas in Storage--Available for Sale".

624 Gas Delivered to Storage (Credit)

This account should be credited with the cost of gas delivered to underground storage during the year. These amounts should be concurrently charged to the account for "Gas in Storage - Available for Sale".

625 Gas Used (Credit)

This account should be credited with amounts that are concurrently charged to operating expense or other accounts in respect of gas used by the licensee for other than storage purposes.

Note: This account should be subdivided to separate gas used in construction and gas used for operations and other purposes.

17.4 Liquefaction O&M Expenses

601 Supervision

This account should record the cost of labour, materials and supplies, and expenses incurred in the general supervision and direction of the operation and maintenance of the liquefaction facilities.

This account should be subdivided in the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

601.001	Labour/Manpower
601.002	Materials and Supplies
601.003	Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

606 Compressor

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation & maintenance of liquefaction compressor stations and facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

606.001	Labour/Manpower
606.002	Materials and Supplies
606.003	Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

607 Measuring and Regulating

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of liquefaction measuring and regulating stations and facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

607.001	Labour/Manpower
607.002	Materials and Supplies
607.003	Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

608 Other Liquefaction Operations and Maintenance

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of liquefaction facilities not includible elsewhere.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

608.001	Labour/Manpower
608.002	Materials and Supplies
608.003	Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

17.5 Re-gasification O&M Expenses

601 Supervision

This account should record the cost of labour, materials and supplies, and expenses incurred in the general supervision and direction of the operation and maintenance of the re-gasification facilities.

This account should be subdivided in the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

601.001	Labour/Manpower
601.002	Materials and Supplies
601.003	Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

606 Decompression/Compressor

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation & maintenance of liquefaction decompression/compressor stations and facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

606.001	Labour/Manpower
606.002	Materials and Supplies
606.003	Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

607 Measuring and Regulating

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of re-gasification measuring and regulating stations and facilities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

607.001	Labour/Manpower
607.002	Materials and Supplies
607.003	Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

608 Other Re-gasification Operations and Maintenance

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of re-gasification facilities not includible elsewhere.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

608.001	Labour/Manpower
608.002	Materials and Supplies
608.003	Other Expenses

The accounting regulated entity may also, if it so desires, create subcategories as separate between operation and maintenance expenses.

17.6 General O&M Expenses

603 Communication

This account should record the cost of labour, materials and supplies, and expenses incurred in the operation and maintenance of the facilities used in connection with the general communication system.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 603.01 Labour/Manpower
- 603.02 Materials and Supplies
- 603.03 Other Expenses

627 System Operation, Maintenance and Engineering

This account should record the cost of labour, materials and supplies, and expenses incurred at the licensee's general offices in the operation, maintenance and engineering of the gas system.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 627.01 Labour/Manpower
- 627.02 Materials and Supplies
- 627.03 Other Expenses

628 Other General Operations and Maintenance

This account should record the cost of labour, materials and supplies, and expenses incurred in general Piped-gas operations and maintenance not includible elsewhere.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 628.01 Labour/Manpower
- 628.02 Materials and Supplies
- 628.03 Other Expenses

629 General Operations and Maintenance Transferred (Credit)

This account should be credited with general Piped-gas operations costs transferred to other accounts, such as costs transferred to overhead during construction.

18 Text Pertaining to Customer Service, Sales, General & Admin**18.1 Sales and Marketing--Operation****635 Supervision**

This account should record the cost of labour, materials and supplies, and expenses incurred in the general direction and supervision of sales activities.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

635.01 Labour/Manpower

635.02 Materials and Supplies

635.03 Other Expenses

636 Advertising - Natural Gas Promotion

This account should record the cost of labour, materials and supplies, and expenses incurred in advertising, which is designed to promote or retain the sale of gas. Costs of advertising for the sale of merchandise by the accounting entity should not be included in this account.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

636.01 Labour/Manpower

636.02 Materials and Supplies

636.03 Other Expenses

Note A: The cost of publication of shareholders' reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate nature should be charged to the account for "Other Administrative and General Expenses".

Note B: The cost of advertising for personnel should be charged to the appropriate account.

637 Demonstration and Selling Expenses

This account should record the cost of labour, materials and supplies, and expenses incurred in demonstrating and promoting the use of natural gas.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

637.01 Labour/Manpower

637.02 Materials and Supplies

637.03 Other Expenses

638 Expense (Revenue) From Merchandising, Jobbing and Contract Work

This account should record the cost of merchandise sold. In addition, it should record the cost of labour, including contractor labour, if applicable, materials and supplies, and expenses incurred in the selling of merchandise and of jobbing and contract work.

The account should also record the Revenue from merchandising, jobbing and contract work

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

638.01 Labour/Manpower

638.02 Materials and Supplies

638.03 Other Expenses

640 Advertising - Other

This account should record the cost of labour, materials and supplies, and expenses incurred in advertising and promoting Piped-gas services, other than advertising included in the account for "Advertising - Natural Gas Promotion".

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

640.01 Labour/Manpower

640.02 Materials and Supplies

640.03 Other Expenses

641 Other Sales Promotion

This account should record the cost of labour, materials and supplies, and expenses incurred in connection with sales and marketing activities that are not includible elsewhere.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

641.01 Labour/Manpower

641.02 Materials and Supplies

641.03 Other Expenses

18.2 Customer Accounting--Operation

645 Supervision

This account should record the cost of labour, materials and supplies, and expenses incurred in the supervision and direction of the customer accounting and collection activities.

Note A: Direct supervision of specific activities, such as customer contracts, credit collection, customer accounting, cashiers and meter reading should be charged to the appropriate account.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 645.01 Labour/Manpower
- 645.02 Materials and Supplies
- 645.03 Other Expenses

646 Customers' Contracts and Orders

This account should record the cost of labour, materials and supplies, and expenses incurred in work on customer applications and contracts.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 646.01 Labour/Manpower
- 646.02 Materials and Supplies
- 646.03 Other Expenses

647 Meter Reading

This account should record the cost of labour, materials and supplies, and expenses incurred in reading customers' meters.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 647.01 Labour/Manpower
- 647.02 Materials and Supplies
- 647.03 Other Expenses

648 Customers' Billing and Accounting

This account should record the cost of labour, materials and supplies, and expenses incurred in the licensee's customer accounting, customer billing and bill delivery functions.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 648.01 Labour/Manpower
- 648.02 Materials and Supplies
- 648.03 Other Expenses

649 Credit and Collection

This account should record the cost of labour, materials and supplies, and expenses incurred in collecting overdue accounts, and investigating customer credit ratings and customer accounts.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 649.01 Labour/Manpower
- 649.02 Materials and Supplies
- 649.03 Other Expenses

650 Uncollectible Accounts

This account should be debited with the provision for bad debts that are potential losses on uncollectible accounts receivable. A corresponding credit shall be made to the account for Accumulated Provision For Doubtful Accounts, or Trade Accounts Receivable—Network, or Trade Accounts Receivable—Residential, or Trade Accounts Receivable--Commercial and Industrial or Accounts Receivable—Other, or Accounts receivable from affiliated companies, where applicable.

Note: This account should be subdivided to separate the provision for bad debts related to uncollectible Accounts Receivable as follows:-

- 650.001 Trade Accounts Receivable--Network
- 650.002 Trade Accounts Receivable—Residential
- 650.003 Trade Accounts Receivable--Commercial and Industrial
- 650.004 Accounts Receivable--Other
- 650.005 Accounts receivable from affiliated companies

651 Other Customer Accounting

This account should record the cost of labour, materials and supplies, and expenses incurred in customer accounting not includible elsewhere.

This account should be subdivided into the following sub accounts as to keep track of cost of labour, consumables, other expenses, etc, separately.

- 651.01 Labour/Manpower
- 651.02 Materials and Supplies
- 651.03 Other Expenses

18.3 Administrative and General -- Operation

655 Administrative Expenses

655.001 Administrative and general salaries

This account should record the compensation (salaries, bonuses, and other consideration for services, but not including directors' fees) of officers, executives, and other employees of the licensee properly chargeable to licensed operations and not chargeable directly to a particular operating function.

This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the licensee

655.002 Office supplies and expenses

This account should record office supplies and expenses incurred in connection with the general administration of the licensee's operations, which are assignable to specific administrative or general departments and are not specifically provided for in other accounts. This includes the expenses of the various administrative and general departments, the salaries and wages of which are included in the account for "Administrative and general salaries".

NOTE: Office expenses which are clearly applicable to any group of operating expenses other than the administrative and general group should be included in the appropriate account in such group. Further, general expenses which apply to the licensee as a whole rather than to a particular administrative function should be included in the account for "Other Administrative and General Expenses".

656 Special Services

This account should record the fees and expenses of professional consultants and others for general services which are not applicable to a particular operating function or to other accounts. It should also record the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not considered as an employee of the licensee.

657 Insurance

This account should record the cost of insurance premiums for insurance against any loss which may be sustained by the licensee.

Records should be kept so as to show the amount of coverage for each class of insurance carried, the property covered, and the applicable premiums. Any dividends distributed by mutual insurance companies should be credited to the accounts to which the insurance premiums were charged.

NOTE A: The cost of insurance should be charged to construction either directly or by transfer to construction work orders from this account.

NOTE B: The cost of insurance for the following classes of property shall be charged as indicated.

- (1) Plant leased to others, to the account for "Expenses of plant leased to others".
- (2) Non-regulated property, to the account for "Revenue from non-regulated operations".

NOTE C: The cost of labour and related supplies and expenses of administrative and general employees who are only incidentally engaged in property insurance work may be included in the accounts for "Administrative and general salaries", and "Office supplies and expenses", as appropriate.

NOTE D: Recoveries from insurance shall be credited to the account charged with the damage or loss. If damaged property has been retired, the credit shall be included in the appropriate accumulated depreciation account.

NOTE E: Where the company provides self insurance, the provision shall be debited to this account and concurrently credited to the account for "Accumulate Provision for Self-Insurance"

NOTE F: Premiums for group, life, medical, hospital, accident and sickness insurance should not be included in this account but should be charged to the account for "Employee Benefits".

658 Injuries and Damages

This account should record the cost and reserve accruals to protect the licensee against injuries and damages claims of employees or others, losses of such character not covered by insurance, and expenses incurred in settlement of injuries and damages claims. It should also record the cost of labour and related supplies and expenses incurred in injuries and damages activities.

Reimbursements from insurance companies or others for expenses charged hereto on account of injuries and damages and insurance dividends or refunds should be credited to this account.

NOTE A: Payments to or on behalf of employees for accident or death benefits, hospital expenses, medical supplies or for salaries while incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of occupational injuries, shall be charged to the account for "Employee pensions and benefits."

NOTE B: The cost of injuries and damages or reserve accruals capitalized should be charged to construction directly or by transfer to construction work orders from this account.

NOTE C: Exclude from this account the time and expenses of employees (except those engaged in injuries and damages activities) spent in attendance at safety and accident prevention educational meetings, if occurring during the regular work period.

NOTE D: The cost of labour and related supplies and expenses of administrative and general employees who are only incidentally engaged in injuries and damages activities may be

included in the accounts for "Administrative and general salaries", and "Office supplies and expenses", as appropriate.

NOTE E: Recoveries from insurance companies or others for property damages should be credited to the account charged with the cost of the damage. If the damaged property has been retired, the credit should be to the appropriate account for accumulated provision for depreciation.

659 Employee Benefits

This account should record the cost of pension and benefit expense paid or contributed by the company towards all employee benefits. This account should also include expenses to provide pension benefits in respect of employee past or current services.

The Licensee should segregate costs for non-regulated activity pensions and benefits expenses, and those amounts charged to construction, operations & maintenance and G&A accounts either through sub accounts or a credit to this account for that value.

660 Other Administrative and General Expenses

660.1 Rents

This account should record rents properly includible in licensed activity operating expenses for the property of others used, occupied, or operated in connection with licensed operations other than head office rent.

660.2 Head office rent

This account should record rents properly includible in licensed activity operating expenses for the property of others used, occupied, or operated in connection with the head office.

660.3 IT G & A expense

This account should record the compensation (salaries, and expenses) employees of the IT department related to general and administrative activities properly chargeable to regulated operations for the provision of regular licensed services and not chargeable directly to a particular operating function.

660.4 Maintenance of general plant

This account should record the cost assignable to customer accounts, sales and administrative and general functions of labour, materials used and expenses incurred in the maintenance of property, where the book cost is recorded in the account for "Structures and improvements", account for "Office furniture and equipment", account for "Computer hardware & voice and data network equipment", account for "Communication equipment", and account "Miscellaneous equipment".

660.5 Energy Regulator expenses

This account should record all third party expenses and payments for fees assessed against the licensee for regulatory proceedings. Costs will include levies and expenses of the Energy Regulator provided for by the Gas Act and the Gas Regulations.

660.6 Miscellaneous expenses

This account should record all other general operating and maintenance expenses incurred in connection with the general management of the licensed activity not recorded elsewhere.

661 Administrative and General Expenses Transferred – Credit

This account should be credited with administrative expenses recorded in the accounts for "Administrative and general salaries" and "Office supplies and expenses" which are transferred to construction costs or to non-regulated activity accounts.