



(5) A regulated electric corporation may not engage in or assist any affiliated entity or utility contractor in engaging in HVAC services in a manner which subsidizes the activities of such regulated electric corporation, affiliated entity or utility contractor to the extent of changing the rates or charges for the regulated electric corporation's services above or below the rates or charges that would be in effect if the regulated electric corporation were not engaged in or assisting any affiliated entity or utility contractor in engaging in such activities.

(6) Any affiliated entities or utility contractors engaged in HVAC services shall maintain accounts, books and records separate and distinct from the regulated electric corporation.

(7) The provisions of this rule shall apply to any affiliated entity or utility contractor engaged in HVAC services that is owned, controlled or under common control with a regulated electric corporation providing regulated services in the state of Missouri or any other state.

(8) A regulated electric corporation engaging in HVAC services in the state of Missouri five (5) years prior to August 28, 1998, may continue providing, to existing as well as new customers, the same type of services as those provided by the regulated electric corporation five (5) years prior to August 28, 1998.

(A) To qualify for this exemption, the regulated electric corporation shall file a pleading before the commission for approval.

1. The commission may establish a case to determine if the regulated electric corporation qualifies for an exemption under this rule.

(9) The provisions of this section shall not be construed to prohibit a regulated electric corporation from providing emergency service, providing any service required by law or providing a program pursuant to an existing tariff, rule or order of the commission.

*AUTHORITY: sections 386.760.1, RSMo Supp. 1998 and 393.140, RSMo 1994. * This rule originally filed as 4 CSR 240-20.017. Original rule filed Dec. 17, 1998, effective Aug. 30, 1999. Moved to 20 CSR 4240-20.017, effective Aug. 28, 2019.*

**Original authority: 386.760.1, RSMo 1998 and 393.140, RSMo 1939, amended 1949, 1967.*

20 CSR 4240-20.030 Uniform System of Accounts—Electrical Corporations

PURPOSE: This rule directs electrical corporations within the commission's jurisdiction to use the uniform system of accounts prescribed by the Federal Energy Regulatory Commission for major electric utilities and licensees, as modified herein. Requirements regarding the submission of depreciation studies, databases and property unit catalogs are found at 4 CSR 240-3.160 and 4 CSR 240-3.175.

(1) Beginning January 1, 1994, every electrical corporation subject to the commission's jurisdiction shall keep all accounts in conformity with the Uniform System of Accounts Prescribed for Public Utilities and Licensees subject to the provisions of the Federal Power Act, as prescribed by the Federal Energy Regulatory Commission (FERC) and published at 18 CFR Part 101 (1992) and 1 FERC Stat. & Regs. paragraph 15,001 and following (1992), except as otherwise provided in this rule. This uniform system of accounts provides instruction for recording financial information about electric utilities. It contains definitions, general instructions, electric plant instructions, operating expense instructions, and accounts that comprise the balance sheet, electric plant, income, operating revenues, and operation and maintenance expenses.

(2) When implementing section (1), each electrical corporation subject to the commission's jurisdiction shall—

(A) Keep its accounts in the manner and detail specified for electric utilities and licensees classified as major at Part 101 General Instructions 1.A. and paragraph 15,011.1.A.; and

(B) Assemble by July 1, 1996, and maintain after that, a property unit catalog which contains for each designated property unit, in addition to the provisions of Part 101 General Instructions 6. and paragraph 15,016—

1. A description of each unit;
2. An item list; and
3. Accounting instructions, including instructions for distinguishing between operations expense, maintenance expense and capitalized plant improvements.

(3) Regarding plant acquired or placed in service after 1993, when implementing section (1), each electrical corporation subject to the commission's jurisdiction shall—

(A) Maintain plant records of the year of each unit's retirement as part of the "continuing plant inventory records," as the term is

otherwise defined at Part 101 Definitions 8. and paragraph 15,001.8.;

(B) State the detailed electric plant accounts (301 to 399, inclusive) on the basis of original cost, estimated if not known, when implementing the provisions of Part 101 Electric Plant Instructions 1.C. and paragraph 15,051.1.C.;

(C) Record electrical plant acquired as an operating unit or system at original cost, estimated if not known, except as otherwise provided by the text of the intangible plant accounts, when implementing the provisions of Part 101 Electric Plant Instructions 2.A. and paragraph 15,052.2.A.;

(D) Account for the cost of items not classified as units of property as it would account for the cost of individual items of equipment of small value or of short life, as provided in Part 101 Electric Plant Instructions 3.A.(3) and paragraph 15,053.3.A.(3);

(E) Include in equipment accounts any hand or other portable tools which are specifically designated as units of property, when implementing the provisions of Part 101 Electric Plant Instructions 9.B. and paragraph 15,059.9.B.;

(F) Use the list of retirement units contained in its property unit catalog when implementing the provisions of Part 101 Electric Plant Instructions 10.A. and paragraph 15,060.10.A.;

(G) Estimate original cost with an appropriate average of the original cost of the units by vintage year, with due allowance for any difference in size and character, when it is impracticable to determine the original cost of each unit, when implementing the provisions of Part 101 Electric Plant Instructions 10.D. and paragraph 15,060.10.D.;

(H) Charge original cost less net salvage to account 108., when implementing the provisions of Part 101 Electric Plant Instructions 10.F. and paragraph 15,060.10.F.;

(I) Keep its work order system so as to show the nature of each addition to or retirement of electric plant by vintage year, in addition to the other requirements of Part 101 Electric Plant Instructions 11.B. and paragraph 15,061.11.B.;

(J) Maintain records which classify, for each plant account, the amounts of the annual additions and retirements so as to show the number and cost of the various record units or retirement units by vintage year, when implementing the provisions of Part 101 Electric Plant Instructions 11.C. and paragraph 15,061.11.C.;

(K) Maintain subsidiary records which separate account 108. according to primary plant accounts or subaccounts when implementing the provisions of Part 101 Balance



Sheet Account 108.C. and paragraph 15,110.108.C.;

(L) Maintain subsidiary records which separate account 111. according to primary plant accounts or subaccounts when implementing the provisions of Part 101 Balance Sheet Accounts 111.C. and paragraph 15,113.111.C.; and

(M) Keep mortality records of property and property retirements as will reflect the average life of property which has been retired and will aid in estimating probable service life by actuarial analysis of annual additions and aged retirements when implementing the provisions of Part 101 Income Accounts 403.B. and paragraph 15,404.403.B.

(4) In prescribing this system of accounts, the commission does not commit itself to the approval or acceptance of any item set out in any account for the purpose of fixing rates or in determining other matters before the commission. This rule shall not be construed as waiving any recordkeeping requirement in effect prior to 1994.

(5) The commission may waive or grant a variance from the provisions of this rule, in whole or in part, for good cause shown, upon a utility's written application.

AUTHORITY: sections 386.250 and 393.140, RSMo 2000. This rule originally filed as 4 CSR 240-20.030. Original rule filed Dec. 19, 1975, effective Dec. 29, 1975. Amended: Filed April 26, 1976, effective Sept. 11, 1976. Amended: Filed Feb. 5, 1993, effective Oct. 10, 1993. Amended: Filed March 19, 1996, effective Oct. 30, 1996. Amended: Filed Aug. 16, 2002, effective April 30, 2003. Moved to 20 CSR 4240-20.030, effective Aug. 28, 2019.*

**Original authority: 386.250, RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991, 1993, 1995, 1996 and 393.140, 1939, amended 1949, 1967.*

20 CSR 4240-20.045 Electric Utility Applications for Certificates of Convenience and Necessity

PURPOSE: This proposed rule outlines the requirements for applications to the commission, pursuant to section 393.170.1 and 393.170.2, RSMo, requesting that the commission grant a certificate of convenience and necessity to an electric utility for a service area or to operate or construct an electric generating plant, an electric transmission line, or a gas transmission line that facilitates the operation of an electric generating plant.

(1) Definitions. As used in this rule, the following terms mean:

(A) Asset means:

1. An electric generating plant, or a gas transmission line that facilitates the operation of an electric generating plant, that is expected to serve Missouri customers and be included in the rate base used to set their retail rates regardless of whether the item(s) to be constructed or operated is located inside or outside the electric utility's certificated service area or inside or outside Missouri; or

2. Transmission and distribution plant located outside the electric utility's service territory, but within Missouri;

(B) Construction means:

1. Construction of new asset(s); or

2. The improvement, retrofit, or rebuild of an asset that will result in a ten percent (10%) increase in rate base as established in the electric utility's most recent rate case;

(C) Construction does not include:

1. The construction of an energy generation unit that has a capacity of one (1) megawatt or less; or

2. The construction of utility-owned solar facilities as required under section 393.1665, RSMo;

3. Periodic, routine, or preventative maintenance; or

4. Replacement of equipment or devices with the same or substantially similar items due to failure or near term projected failure as long as the replacements are intended to restore the asset to an operational state at or near a recently rated capacity level.

(2) Certificate of convenience and necessity.

(A) An electric utility must obtain a certificate of convenience and necessity prior to—

1. Providing electric service to retail customers in a service area pursuant to section 393.170.2, RSMo;

2. Construction of an asset pursuant to section 393.170.1, RSMo; or

3. Operation of an asset pursuant to section 393.170.2, RSMo.

(B) The commission may, by its order, impose upon the issuance of a certificate of convenience and necessity such condition or conditions as it may deem reasonable and necessary.

(C) In determining whether to grant a certificate of convenience and necessity, the commission may, by its order, make a determination on the prudence of the decision to operate or construct an asset subject to the commission's subsequent review of costs and applicable timelines.

(D) An electric utility must exercise the authority granted within two (2) years from the grant thereof.

(3) In addition to the general requirements of 4 CSR 240-2.060(1), the following additional general requirements apply to all applications for a certificate of convenience and necessity, pursuant to sections 393.170.1 and .2, RSMo:

(A) The application shall include facts showing that granting the application is necessary or convenient for the public service;

(B) If an asset to be operated or constructed is outside Missouri, the application shall include plans for allocating costs, other than regional transmission organization/independent system operator cost sharing, to the applicable jurisdiction; and

(C) If any of the items required under this rule are unavailable at the time the application is filed, the unavailable items may be filed prior to the granting of authority by the commission, or the commission may grant the certificate subject to the condition that the unavailable items be filed before authority under the certificate is exercised.

(4) If the application is for authorization to provide electric service to retail customers in a service area for the electric utility under section 393.170.2, RSMo, the application shall also include:

(A) A list of those entities providing regulated or nonregulated retail electric service in all or any part of the service area proposed, including a map that identifies where each entity is providing retail electric service within the area proposed;

(B) If there are ten (10) or more residents or landowners, the name and address of no fewer than ten (10) persons residing in the proposed service area or of no fewer than ten (10) landowners, in the event there are no residences in the area, or, if there are fewer than ten (10) residents or landowners, the name and address of all residents and landowners;

(C) The legal description of the service area to be certificated;

(D) A plat of the proposed service area drawn to a scale of one-half inch (1/2") to the mile on maps comparable to county highway maps issued by the state's Department of Transportation or a plat drawn to a scale of two thousand feet (2,000') to the inch; and

(E) A feasibility study containing plans and specifications for the utility system, plans for financing, proposed rates and charges, and an estimate of the number of customers, revenues, and expenses during the first three (3) years of operations.

(5) If the application is for authorization to operate assets under section 393.170.2, RSMo, the application shall also include:

(A) A description of the asset(s) to be