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Quarterly Financial Reporting and Revisions to the Annual Reports; Final Rule

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Parts 141, 260, 357, and 375

[Docket No. RM03–8–000]

Quarterly Financial Reporting and Revisions to the Annual Reports

February 11, 2004.

AGENCY: Federal Energy Regulatory Commission.

ACTION: Final rule.

SUMMARY: The Federal Energy Regulatory Commission (FERC or Commission) is amending its financial reporting regulations to establish new quarterly financial reporting for respondents that file FERC Annual Reports. The Commission is updating its financial annual reporting requirements to add new schedules on ancillary services, electric transmission peak loads, and is updating the statistical classifications reported on certain schedules. The Commission is also updating the corporate officer's certification for the FERC Annual Reports, modifying filing dates, allowing respondents to submit the CPA certification electronically, and eliminating the cash management notification requirement.

This Final Rule will improve the usefulness and transparency of financial information submitted to the Commission. The increased frequency of financial reporting will help the Commission identify and evaluate emerging trends, business conditions and financial issues affecting reporting entities. Additionally, the information contained in the quarterly financial reports will identify the economic effects of significant transactions and events, allow more timely evaluations of the adequacy of existing cost-based rates, and aid in the development of needed changes to existing regulatory initiatives. Finally, more frequent and transparent financial reporting resulting from this Final Rule will help the Commission achieve its goal of vigilant oversight over reporting entities.

EFFECTIVE DATE: The rule will become effective March 29, 2004.

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Before Commissioners: Pat Wood, III, Chairman; Nora Mead Brownell, Joseph T. Kelliher, and Suedeen G. Kelly.

I. Introduction

1.The Federal Energy Regulatory Commission is amending its financial reporting regulations. In a Notice of Proposed Rulemaking issued on June 26, 2003, the Commission proposed to amend its financial reporting regulations for public utilities and licensees,[1] natural gas companies,[2] and oil pipeline companies,[3] by establishing new quarterly financial reporting for jurisdictional entities. Additionally, the Commission proposed changes to the FERC Annual Report Forms 1, 1–F, 2, 2–A, and 6 by adding new reporting requirements, updating the corporate officer's certification requirements and accelerating the filing dates for all filers of the FERC Annual Reports.[4] The proposed changes to the FERC Annual Reports were made primarily to achieve symmetry in these areas with the requirements for the proposed quarterly financial reports.

2. After carefully considering the comments received, the Commission has determined that a Final Rule revising its financial reporting regulations should be issued. The purpose of this Final Rule is to improve the usefulness and transparency of financial information provided to the Commission. The Final Rule contains significant modifications from the Notice of Proposed Rulemaking (NOPR) based upon comments received.[5] These changes should greatly reduce the administrative burden cited by filers of the quarterly financial reports, and the FERC Annual Reports, while providing the Commission with greater transparency of financial information from these respondents. The increased frequency and transparency of financial reporting will help the Commission identify and evaluate emerging trends, business conditions and financial issues affecting regulated entities.

II. Background

3. Financial accounting and reporting provides needed information concerning a company's past performance and its future prospects. Without reliable financial statements prepared in accordance with the Commission's Uniform Systems of Accounts and related regulations, the Commission would be unable to accurately determine the costs that relate to a particular time period,

[1] Part 141 Statements and Reports (Schedules). *See* 18 CFR Part 141.

[2] Part 260 Statements and Reports (Schedules). *See* 18 CFR Part 260.

[3] Part 357 Annual Special or Periodic Reports: Carriers Subject to Part 1 of the Interstate Commerce Act. *See* 18 CFR Part 357.

[4] The FERC Annual Reports bear the following OMB approval control numbers: Form 1 has OMB approval number 1902–0021; Form 1–F has OMB approval number 1092–0029; Form 2 has OMB approval number 1902–0028; Form 2–A has OMB approval number 1902–0030; and Form 6 has OMB approval number 1092–0022.

[5] 68 FR 40339 (July 7, 2003), IV FERC Stats. & Regs. ¶ 32,571 (June 26, 2003).

service, or line of business.[6] Additionally, it would be difficult to determine whether a given entity has previously been given the opportunity to recover its costs through rates, or to compare how the financial performance and results of operations of one regulated entity relates to that of another.

4. The need for current and better disclosures in financial statements drives the increasing demand for timely, relevant and reliable financial information. In order to improve the timeliness and the transparency of the financial information for FERC jurisdictional entities, the Commission proposed the filing of quarterly financial reports by respondents that file FERC Annual Report Forms 1, 1–F, 2, 2–A, or 6. Additionally, to strengthen the reliability of the information, the Commission proposed to update its corporate officer certification contained in the financial reports.

5. The two new financial reports proposed in the NOPR were the FERC Form No. 3–Q, Quarterly Financial Report of Electric Companies, Licensees, and Natural Gas Companies, and the FERC Form No. 6–Q, Quarterly Financial Report of Oil Pipeline Companies. These two new quarterly financial reports would act as a supplement to the existing FERC Annual Reports by collecting basic financial information and certain financial related information from jurisdictional entities.

6. Additionally, as part of the Commission effort to update its financial reporting regulations, the NOPR proposed changes to the FERC Annual Report Forms 1, 1–F, 2, 2–A, and 6. The proposed changes to the FERC Annual Reports included the reporting of selected fourth quarter financial data, adding a new management discussion and analysis (MD&A) schedule, adding new schedules to collect data on ancillary services and electric transmission peak load, updating the statistical classifications, allowing respondents to submit the annual CPA certification electronically, updating the corporate officer certification, and modifying the filing dates.

[6] Part 101 Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act. *See* 18 CFR part 101 (2003). Part 201 Uniform System of Accounts Prescribed for Natural Gas Companies Subject to the Provisions of the Natural Gas Act. *See* 18 CFR Part 352 (2003). Part 352 Uniform System of Accounts Prescribed for Oil Pipeline Companies Subject to the Provisions of the Interstate Commerce Act. *See* 18 CFR Part 352 (2003).

III. Discussion

A. General

7. The Commission received 74 comments from users and jurisdictional entities that file FERC Annual Reports.[7] Users of the FERC Annual Reports were generally supportive of the Commission's proposal to require more timely, relevant, reliable, and transparent financial reporting from jurisdictional entities while respondents raised major concerns about the additional administrative burden they would experience to gather, review, certify and submit the required information within the proposed time frames. After careful consideration of all the comments received, the Commission is adopting quarterly financial reporting and changes to the FERC Annual Reports as proposed in the NOPR, with certain modifications and clarifications as discussed below. The Commission is confident that the Final Rule strikes the appropriate balance between the administrative burden placed on respondents and the benefits achieved through more frequent, transparent, and reliable reporting of financial information.

B. Quarterly Financial Reports

8. Under the proposed rule, a jurisdictional entity filing a FERC Annual Report would be required to file a basic set of financial statements on a quarterly basis prepared in accordance with the Commission's Uniform Systems of Accounts and related regulations. Additionally, as part of collecting a basic set of financial statements on a quarterly basis, the Commission proposed to collect certain information on matters that respondents report on an annual basis.

9. For the reasons discussed below, the Commission will require the submission of a basic set of financial statements and other selected data to be included in the quarterly financial reports. The Commission will also modify the proposed filing dates, the requirements for the notes to the financial statements, and the corporate officer certification statement.

10. The Commission will not include as part of the Final Rule the requirement that respondents include an MD&A schedule, or the requirement that respondents submit a copy of a CPA review letter if they had the FERC quarterly report reviewed by their external accountant. Finally, the Commission will not include the requirement that respondents report fourth quarter data separately from the annual data in the FERC Annual Reports.

[7] *See* Appendix A for List of Commenters.

1. Basic Set of Financial Statements

11. The basic financial statements proposed to be included in the quarterly financial reports were the Comparative Balance Sheet, the Statement of Income and Retained Earnings, the Statement of Cash Flows, and the Statement of Other Comprehensive Income and Hedging Activities.

Comments Received

12. State regulatory bodies and others that rely on the accounting information to develop and monitor the rates paid for services are generally supportive of the changes in reporting, and view the proposal as essential for the Commission to achieve its stated purpose of providing more vigilant oversight though more timely reporting of financial information. Additionally, these commenters state that while a number of state utility regulatory commissions have quarterly and even monthly financial reporting requirements, the Commissions proposal provides more consistent and standardized reporting, and provides the needed financial information from FERC-jurisdictional entities at a level of detail that is not obtainable from other sources.[8] NARUC agrees with FERC that while some jurisdictional entities may file similar information with the U. S. Securities and Exchange Commission (SEC), the level of detail concerning assets, liabilities, stockholders equity along with the revenues, expenses, gains, and losses is different for FERC and SEC reporting. Finally, NARUC believes the FERC proposal improves the financial reporting by public utilities on a jurisdictional basis that is most useful to FERC and the different State commissions.

13. Comments filed by AOPL and INGAA concerning the administrative burden jurisdictional entities would incur if required to comply with certain aspects of the proposal included statistics that also support the view that financial information is not readily available from public sources such as the SEC. AOPL states that of the 194 oil pipeline companies with tariffs on file at the FERC, only three file reports under SEC rules. AOPL states that an equal number of pipelines are privately held and have no SEC reporting requirements. And the remainder fall somewhere in between, supporting one or more direct or indirect parents having SEC reporting requirements. INGAA

[8] *See* APGA at 2 and 3; ISO/RTO Council at 2 and 3; Missouri PSC at 3 and NARUC at 2.

states that only 20 percent of their members are SEC filers.

Commission Response

14. As the commenters correctly observe, the financial information required by the Commission may not be readily available from other public sources because many FERC jurisdictional entities do not file financial statements with the SEC. For example, a company may be exempt from SEC reporting if it has no registered securities on a national securities exchange, or if its total assets are less than $10 million with a class of equity securities held by less than 500 persons. Additionally, a company may not file financial information with the SEC if it is privately held, or if it is a cooperative.

15. Additionally, those companies that do make public filings may consolidate their regulated and unregulated operations, or report the data in such a manner that is not consistent with the Commission's Uniform Systems of Accounts and related regulations. There may be differences in the manner in which certain transactions and events are displayed for stockholder reporting and to the Commission. These reporting differences may result from differences in reporting classifications prescribed by the Commission's Uniform Systems of Accounts, as well as the detailed schedules and related disclosure requirements contained in the FERC Annual Reports.[9] These differences arise from the Commission's need to develop and monitor cost based rates, analyze costs of different services and classes of assets, and to compare costs across lines of business.

16. Based upon the comments received, it is abundantly clear that the financial information filed with this Commission represents, in most cases, the only source of financial data presented in a format and detail suitable for the Commission to exercise its duties and responsibilities under the Federal Power, Natural Gas, and Interstate Commerce Acts. Therefore, the Commission will require jurisdictional entities to supplement their FERC Annual Reports with the filing of quarterly financial reports as proposed in the NOPR. The basic financial statements to be included in the quarterly financial reports are the Comparative Balance Sheet, the Statement of Income and Retained Earnings, the Statement of Cash Flows, and the Statement of Other Comprehensive Income and Hedging Activities.

17. The information contained in the quarterly financial reports will identify the economic effects of significant transactions and events, allow staff to evaluate the adequacy of existing cost-based rates, and aid in the development of needed changes to existing regulatory initiatives. This information will strengthen the Commission's ongoing activities in identifying emerging trends, and in identifying the impacts that new accounting standards, or changes in existing accounting standards, have on respondents.

2. Other Selected Financial Information

18. In addition to requiring respondents to file a basic set of financial statements, the NOPR proposed that certain detailed information be filed with the Commission. The information sought in the supplementary schedules was not new information, rather it is the same information already submitted by respondents on an annual basis in the FERC Annual Reports. The supplementary information includes revenues and the related quantities of product sold or transported, the account balances for various operating and maintenance expenses, selected plant cost data, and information concerning the nature of regulatory assets and liabilities being created or amortized during the period.

Comments Received

19. While some commenters support the proposal, many do not believe this level of account detail is needed. They urge the Commission to remove the supporting financial and related information. Some commenters state that the information is difficult to collect within a quarterly deadline and not necessary to monitor trends within the industry on an interim basis.[10] Some comment that, due to the filing dates, some of the amounts will need to be estimated because the actual data will not be available until after the filing deadline.[11] Chevron states that certain information of liquid volumes transported by type, the specifics of its state of origin and its destination would be difficult to compile on a quarterly basis because it does not currently maintain this information in a format that readily lends itself to quarterly reporting.

20. Finally, some commenters suggest alternatives to the schedules proposed in the NOPR by requiring the reporting of key information that they believe materially affects equity, financing, business structure or the operations of the regulated entity. Examples of the information commenters recommend reporting include acquisitions, divestures and abandonments, new financing arrangements, hedges and derivatives, and pipeline shutdowns.[12]

Commission Response

21. Congress granted the Commission authority to prescribe periodic financial and non-financial reporting.[13] All jurisdictional entities subject to the Commission's accounting and financial reporting regulations are required to keep their books and records in such a manner as to permit the preparation of financial and operating statements directly from such records at the end of each accounting period according to the prescribed accounts. Furthermore, the accounting period prescribed by the Uniform Systems of Accounts is a calendar month.[14] Consequently, the Commission's existing regulations require jurisdictional entities to have accounting and financial reporting systems in place to readily prepare financial and operating statements summarized on a monthly basis. Therefore, it should not be unduly burdensome for these entities to prepare and report on account activity on a monthly, quarterly, or annual basis when required to do so by this Commission.

22. The supplemental schedules provide important details regarding the types and sources of revenues, the category and types of costs incurred, the assets and utility investments made by the respondent, significant new borrowings incurred during the period, as well as information about the establishment and disposition of regulatory assets and liabilities during the period. The reporting of this detailed information allows Commission staff to better understand emerging trends experienced by the respondents, and the economic impact that significant transactions, events, and regulatory initiatives have on regulated

[9] *See, e.g.*, AOPL's Appendix C; EEI at 8 and 9; NiSource at 19 and Shell Pipeline's Attachment A.

[10] *See, e.g.*, Arizona at 5; Detroit Ed at 4; EEI at 12; Entergy at 3 and MidAmerica at 2.

[11] *See* Arizona at 5 and EEI at 12.

[12] *See, e.g.*, AOPL at 26.

[13] Authority granted to the Commission pursuant to sections 4, 304 and 309 of the Federal Power Act, Sections 10(a) and 16 of the Natural Gas Act, and Section 20 of the Interstate Commerce Act. *See* 16 U.S.C. 797, 825c and 825h; 15 U.S.C. 717i(a) and 717o; and 49 App. U.S.C. 1–85 (1988).

[14] *See* 18 CFR Parts 101 and 201, General Instruction 3(c) and 4, for the accounting period and financial statement requirements of public utilities and licensees, and natural gas companies, and 18 CFR Part 352, General Instruction 1–3, for the accounting period and financial statement requirements of oil pipeline companies.

operations. Additionally, this level of detailed reporting helps ensure that emerging financial trends are not masked due to the consolidation of various account balances. Finally, this level of detail along with the related notes contained in the reports will allow the Commission to better monitor the adequacy of cost based rates on a more timely basis, and to monitor the respondents' overall compliance with Commission regulations.

23. The collection of selected or fragmented data, as urged by some commenters, will not provide a complete financial picture of how certain events or transactions have impacted the financial condition or results of operations of the jurisdictional entity. Nor will reporting changes for only a selected or isolated set of transactions or events provide the Commission with the means to view the matter in a complete financial context. Selected reporting will not allow for the comparability of those economic effects among others within the same industry, or provide reasonable assurance that emerging trends affecting the respondents will be reported. Finally, under the alternative approach, it will be extremely difficult to create an exhaustive listing of transactions or events that should be reported, or what particular aspects of any particular transaction or event should be disclosed. Therefore, the Commission declines to adopt the commenter's alternative approach to the supplemental schedules.

3. Management Discussion and Analysis

24. The Commission proposed to include a new schedule to the quarterly and annual reports entitled Management's Discussion and Analysis of Financial Condition and Results of Operation (commonly referred to as the ''MD&A''). This schedule would contain a forward looking discussion regarding the probable impact of current and future events on the respondent's operations. In order to add reporting structure to the free flowing written disclosure format used in the SEC reports, the proposal included a listing of 17 items common to FERC jurisdictional entities that should be addressed if that matter was significant to the company with the additional instruction for respondents to discuss any other significant events not listed that could potentially positively or negatively impact the company. Finally, as noted in the NOPR, the MD&A is a required disclosure for publicly traded companies pursuant to SEC regulations.

Comments Received

25. APGA supports the objectives and believes that the MD&A could achieve them. APGA views the MD&A schedule at a jurisdictional entity level as critically important, and also suggests that the Commission include a requirement that jurisdictional entities file a notification with the Commission when a material change has occurred.

26. However, the vast majority of the comments received on the form and content of the MD&A schedule urge the Commission to eliminate, or modify, the proposed requirement. Most commenters express concern for potential litigation that could arise with such forward looking statements along with the significant administrative burden companies might incur if they are required to complete the MD&A schedule as proposed in the NOPR.[15]

27. Many commenters argue that the SEC has substantial ''safe harbor'' rules that provide protection to companies from potential litigation risks associated with disclosing this type of information. These commenters urge the Commission adopt safe harbor rules similar to those of the SEC.[16]

28. Commenters that urge the Commission to adopt a safe harbor provision state that under the Private Securities Litigation Reform Act of 1995 (PSLRA), the SEC provides a safe harbor from liability for forward-looking information.[17] They argue that absent statutory protection, SEC registrants making corporate disclosures might be subject to damage claims if, and when, their forward-looking statements failed to correspond to actual results, and that the types of information that would be elicited in the MD&A reporting requirement appear to be precisely the types of statements for which a safe harbor is needed. They state that Congress and the SEC recognize how future looking statements can be highly charged and subject to misinterpretation, and that Congress viewed it necessary to enact statutory protection for such disclosures. These commenters further argue that it is not clear whether any of the protections applicable to SEC registrants under the PSLRA would be enjoyed by FERC jurisdictional entities that are not SEC registrants. Finally, they argue that, before imposing the MD&A requirements, the Commission should be in a position to assure respondents that they have full safe harbor protection similar to that which applies to SEC registrants.

29. Some commenters that currently file SEC reports request that they be permitted to submit MD&A prepared under SEC guidance in their FERC annual and quarterly financial reports.[18] Others also seek clarification on the definition of materiality and request that the Commission adopt the SEC definition of materiality. They state that a difference in levels of materially could lead to different MD&A prepared for the SEC and FERC. These material differences could lead to potential litigation.[19] Some commenters also request that the MD&A content be modified to focus on historical events and be less speculative.[20]

30. Other commenters urge that at the very least, the format of the MD&A in the proposal be modified. These commenters seek clarification on the specific 17 proposed items in the MD&A section. They question the value of the proposed information, while others request that the MD&A schedule be more free flowing.[21] PSEG questions if the 17 items are intended as general guidance to preparing the MD&A, or if they are required by each filer. PSEG also requests that the quarterly MD&A be treated as an update to the annual MD&A and only require significant or material changes from the FERC Annual Report be reported, similar to the quarterly MD&A filed with the SEC. Other commenters express concern that the proposed MD&A, in the proposed format, goes beyond the SEC MD&A requirements. These commenters point out that the SEC requires only material changes to be reported quarterly in MD&A.[22] AEP refers to the SEC method for reporting MD&A as familiar and with extensive guidelines. Entergy requests the Commission eliminate the ''boiler plate'' approach to MD&A.

31. Although commenters recognize the need for information at the jurisdictional level,[23] some privately-held companies express concern because they currently do not prepare

[15] *See, e.g.*, INGAA at 2; AOPL at 20 and EEI at 5.

[16] *See, e.g.*, BP at 7; AOPL at 22; Kinder Morgan at 12; PSEG at 11; INGAA at 16 through 19 and Southern at 2.

[17] *See*Private Securities Litigation Reform Act of 1995, Pub. L. 104–67, 109 Stat. 737 (1996).

[18] *See* NU at 7; Old Dominion at 7; EEI at 11 and NRECA at 9.

[19] *See, e.g.*, AEP at 2; KeySpan at 9; Gulf South at 8; Shell Gas at 7 and 8; NiSource at 16 and Shell Pipeline at 2.

[20] *See* Plains at 5; AEP at 2; Duke at 4; SCE at 7; INGAA at 10; Gulfterra at 6 and 7; EEI at 18 and Southern at 2.

[21] *See* PSEG at 11; AEP at 2; National Grid at 6 and Entergy at 3.

[22] *See, e.g.*, PacifiCorp at 11–12; Duke at 5; SCE at 4; Shell Pipeline at 12; INGAA at 22 and EEI at 5.

[23] *See* APGA at 5 and NARUC at 2 and 3.

an MD&A.[24] Oil industry commenters also express concern regarding the potential for revealing confidential shipper data in MD&A.[25] Commenters also indicate that the MD&A, as proposed by the Commission, may create unintended administrative burden in its present form.[26] Additionally, there are a few commenters that believe the MD&A, in the proposed format, overlaps with that of the SEC, and is unnecessary.[27]

Commission Response

32. Based upon the comments received, the Commission will not include the MD&A schedule in the quarterly financial reports or in the FERC Annual Reports. Although the Commission recognizes the benefits of obtaining similar information at a jurisdictional entity level from all public and non-public jurisdictional entities that file financial information with the Commission, the potential litigation and confidentiality issues that may arise, in addition to the various administrative burden issues raised by the commenters of both privately held and publicly held companies, appear to outweigh the benefits derived from obtaining such information as proposed in the NOPR.

4. Notes to the Financial Statements

33. The NOPR proposed the inclusion of notes to the financial statements in accordance with current accounting principles. Additionally, the NOPR required respondents to provide information on certain subjects that are also reported in the FERC Annual Reports. These subjects included the reporting of pension plan details, restrictions on retained earnings, significant refunds, and other items that have been reported in the respondent's prior year FERC Annual Report.

Comments Received

34. Some commenters suggest that the Commission eliminate the requirement to provide notes to the financials, while others urge the Commission to require only a condensed or abbreviated set of quarterly financial notes that discuss material changes occurring since the prior FERC Annual Report filing.[28] Others urge the Commission to permit respondents to file notes to the financials statements which are consistent with those provided in their SEC Form 10–K.[29]

Commission Response

35. The notes to the financial statements are an extension of the basic financial statements and are integrally related to them. The notes enable users of the data to understand the nature of the amounts presented in the financial statements and better interpret its meaning.

36. Consequently, the Commission will require respondents include notes to the financial statements in their quarterly financial reports. However, the Commission will adopt the commenters' recommendation that respondents be permitted to file abbreviated notes to the financial statements in their quarterly financial reports.

37. The use of abbreviated notes will be equivalent to the requirements for interim reporting established by the SEC.[30] Under these requirements, filers of the FERC quarterly financial reports must include disclosures in the accompanying notes sufficient so as to make the interim information not misleading.

38. Quarterly financial reporting is a supplement to the FERC Annual Reports, and it presumes the users of the quarterly financial reports have read the audited financial statements from the preceding year, including the notes to the annual financial statements. Therefore, footnote disclosure which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted. However, disclosure must be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent.

39. Equivalent to the SEC footnote disclosure requirements, the Commission will require respondents to include in their notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. And similar to the SEC requirements for interim reporting, where material contingencies exist, the disclosure of such matters must be provided even though a significant change since year end may not have occurred.

40. The use of abbreviated notes will minimize duplicate disclosures, reduce the administrative burden cited by some commenters, and ensure that the interim information presented in the financial statements is not misleading. Finally, to the extent that the notes to the financial statements relating to the respondents appearing in the annual report to stockholders are applicable and furnish the required data, such notes may be included in the quarterly financial reports.

5. Filing Dates for the Quarterly Financial Reports

41. The Commission proposed that jurisdictional entities would submit the quarterly financial reports using a phase-in approach. The phase-in approach would start in 2004 with the reports filed 45 days after the end of the quarter, and accelerate the filing date to 35 days after the end of the quarter by September 2005. This phase-in approach, and related filing dates, would have been applicable to all respondents.

Comments Received

42. Most commenters urge the Commission to provide ''breathing room'' between the filing dates of the SEC quarterly reports and the filings dates of the FERC quarterly reports. Commenters recommend extensions ranging from 20 days to 60 days, or longer, after the applicable SEC quarterly filing dates. Commenters state that extending the deadline will reduce administrative burden, allow more productive use of staff, and result in better quality of reporting by allowing filers a reasonable period of time to gather the appropriate information and properly prepare the quarterly reports.[31] Some commenters also urge the Commission to provide a temporary filing extension for the initial 2004 reporting year to give respondents extra time to establish procedures and work through learning curves.[32] These commenters state that only SEC filers that meet certain criteria must file on an accelerated basis, and that the Commission's proposal will result in smaller companies filing financial statements with the FERC before they are required to file with the SEC. Finally, Iroquois echoes in its comments the SEC's view that while larger companies may have more complex

[24] *See* AOPL at. 7; Williston Basin at 6 and KeySpan at 11.

[25] *See* AOPL at 21; Plains at 5; Kinder Morgan at 13; Williston Basin at 6; Gulfterra at 7 and BP at 7.

[26] *See* PSEG at 6; Colonial at 4 and Portland General at 2.

[27] *See* ConEd at 1; MidAmerican at 2; Arizona at 5; Pepco at 1 and Entergy at 1.

[28] *See, e.g.*, AEP at 2; Cinergy at 4 and Entergy at 3.

[29] *See, e.g.*, EEI at 4; FirstEnergy at 4 and Iroquois at 4.

[30] *See* SEC Regulation S–X, Rule 10–01(a)(5).

[31] *See, e.g.*, AEP at 3; Arizona at 8; AOPL at 16; Cinergy at 5; EEI at 7 and INGAA at 24.

[32] *See, e.g.*, Arizona at 8 and EEI at 7.

operations, they also are more likely than smaller companies to have the infrastructure and resources to report on an accelerated basis.

Commission Response

43. Based upon the comments received, the Commission will modify the proposed filing dates so that respondents may properly prepare, review, and certify the quarterly financial reports filed with the Commission. The modifications made to the proposed filings dates will provide for greater precision in the data reported without imposing an undue burden on respondents.

44. It is important to balance the Commission's need for financial information with the ability of the respondent to prepare that information without undue burden. As noted by many commenters, the SEC has only accelerated the filing dates for large public companies that meet certain criteria while others may continue to file their reports using the existing filing dates.[33]

45. Therefore, beginning in 2005 major public utilities and licensees, and major natural gas companies will be required to file their quarterly reports 60 days after the end of the quarter. Nonmajor public utilities and nonmajor natural gas companies, and all oil pipeline companies will be given additional time to file their quarterly financial reports. These respondents will file their quarterly financial reports within 70 days after the end of the quarter. These modifications to the filing dates proposed in the NOPR should relieve most of the administrative burden cited by jurisdictional entities caused by identical FERC and SEC filing dates for quarterly financial reporting.

46. Additionally, the Commission will provide additional relief during the initial year of reporting, as urged by some commenters. A temporary filing extension will be provided for the quarterly filings made in 2004 in order to provide respondents additional time to establish the necessary procedures to report financial information on a quarterly basis as shown in the table below:

	Quarterly period	Filing dates for all respondents as proposed in the NOPR	Filing dates for major electric and natural gas respondents in final rule	Filing dates for nonmajor electric, nonmajor natural gas, and all oil pipeline respondents in final rule
1	1/1/2004—3/31/2004	May 15, 2004	July 9, 2004	July 23, 2004.
2	4/1/2004—6/30/2004	August 14, 2004	September 8, 2004	September 22, 2004.
3	7/1/2004—9/30/2004	November 14, 2004	December 9, 2004	December 23, 2004.
4	1/1/2005—3/31/2005	May 10, 2005	May 31, 2005	June 13, 2005.
5	4/1/2005—6/30/2005	August 9, 2005	August 29, 2005	September 12, 2005.
6	7/1/2005—9/30/2005	November 9, 2005	November 29, 2005	December 13, 2005.
7	Subsequent Quarters	35 days after the end of the quarter.	60 days after the end of the quarter..	70 days after the end of the of the quarter.

47. Finally, in order to reduce the administrative burden incurred by respondents during the initial reporting year, the Commission will only require that current year data be included in the quarterly financial reports filed during 2004. Respondents will not be required to report prior year's quarterly amounts in these filings.

6. Certified Public Accountant Review Letter

48. In the NOPR, the Commission explains that it is not requiring the quarterly financial report to be reviewed by the respondent's certified public accountant (CPA). However, the NOPR states that if a company has its quarterly financial report reviewed, it must provide a copy of the CPA review report to the Commission.

Comments Received

49. Some commenters agree with the proposal requiring the submission of a CPA review letter only when an external accountant reviews the Commission's quarterly financial report and provides the respondent with a report.[34] Others state that the Commission should use the SEC approach which requires a registrant to obtain an external review of interim financial information but does not require a letter evidencing such a review unless the company states in the filing that the financial information was reviewed by an independent CPA.[35]

50. External accounting firms state that there is no provision under the American Institute of Certified Public Accountants (AICPA) Professional Standards that govern the roles and responsibilities of the independent accountant in reviewing a set of interim financial statements prepared under another comprehensive basis of accounting (OCBOA) for a SEC registrant, or non-SEC registrant, unless the non-SEC registrant is making a filing with a regulatory agency in preparation for a public offering or listing. They suggest that the Commission consider working with the Public Company Accounting Oversight Board in promulgating reporting standards for performing interim reviews on financial statements prepared on an OCBOA basis, and they are willing to assist Commission staff in this effort.[36]

Commission Response

51. The Commission will not require respondents to have the quarterly financial report reviewed by a CPA, nor will it require respondents to submit a copy of the CPA review letter or report if one is issued by an external accountant. As previously stated in this Final Rule, quarterly financial reports are considered to be supplements to the respondent's FERC Annual Report. As such, the Chief Financial Officer will attest to the quarterly and annual financial reports. Additionally, the FERC Annual Reports, as a general matter, are audited by the respondents' external accountants, and respondents are required, under the Commission's existing regulations, to submit a copy of the auditor's report to the Commission. Therefore, the Commission finds that an appropriate balance is struck between the reliability of the data and the administrative costs respondents incur to provide the data to the Commission.

7. Exemption Requests

52. The Commission received numerous requests from respondents to be exempt from filing a quarterly financial report. Most respondents urge

[33] *See, e.g.,* Portland General at 5; FirstEnergy at 6, MidAmerica at 2 and INGAA at 24.

[34] *See* APGA at 6 and ITC at 2.

[35] *See* EEI at 20 and PSEG at 14.

[36] *See* D&T at 3 and PWC at 2 and 3.

the Commission to waive the filing requirements due to the administrative burden caused by the content and accelerated filing dates proposed in the NOPR. As more fully discussed below, the Commission is of the view that blanket exemptions or waivers are not necessary due to the modifications and changes made to the proposal in the Final Rule. Therefore, as provided in the NOPR and contained in this Final Rule, respondents that file a FERC Annual Report No. 1, 1–F, 2, 2–A, or 6 are required to file quarterly financial reports. However, a jurisdictional entity with a waiver from filing a FERC Annual Report No. 1, 1–F, 2, 2–A, or 6 is exempt from filing quarterly financial reports.

Comments Received

53. Some public utilities and natural gas companies urge the Commission to grant exemptions from the quarterly financial reporting requirements due to the administrative burden, and recommend the Commission exempt respondents that file FERC Annual Report Nos. 1–F and 2–A from the quarterly reporting requirement.[37]

54. Some commenters suggest an exemption for FERC respondents with revenues under various amounts, or an exemption for those that do not file financial statements with the SEC.[38] MPSC urges the Commission to waive the reporting requirements for those that do not have a significant energy presence or who are not involved in generation, power marketing, and trading. National Grid suggests that companies within an affiliated group of companies be exempt if they represent less than 10 percent of the affiliated group's consolidated operating revenues, gross plant assets, and number of utility customers, or considering using a threshold that exempts entities in the bottom 10 percent as measured by operating revenues, gross plant, or using other measures. Certain electric cooperatives urge the Commission to exempt electric distribution cooperatives from any final rule because they are not major participants in the capital markets and state this rule will be a hardship.[39]

55. The ISO/RTO Council focuses on the increased administrative burden that will be imposed if an MD&A, accelerated filing dates, and expanded corporate officer certification are required, and therefore urge the Commission to exempt them from quarterly financial reporting. It states that they have an almost *de minimis* value of physical assets and have no ownership interest in the utility infrastructures that are under operational control. Therefore, the significantly smaller capital requirements of an ISO or RTO will be provided by non-public sources such as administrative service charges to its market participants, bank financing lines or private-placement debt instruments.[40]

56. The ISO/RTO Council argues that there is no public ownership and that its members are formed as not-for-profit corporations or otherwise operate on a revenue neutral basis under its respective state or provincial laws. It states that none of the Joint ISO/RTOs are authorized to, nor have, issued to the public any shares of ownership interest in their entities, and none are affiliated with any company that has done so.[41] It also states that ISOs/RTOs are service organizations whose principle revenue streams typically come from cost-of-service based service charges from their market participants which are either specifically approved by this Commission or are derived from Commission authorized formula rates.[42]

57. Finally, it states that the Commission's Uniform System of Accounts does not in most cases translate well for effectively reporting financial and transactional results of ISO and RTO operations. It urges the Commission to re-institute its previous effort to develop a uniform chart of accounts that will be more applicable to ISO/RTO operations and states that the jurisdictional members of the ISO/RTO Council are prepared to fully support such an effort and contribute whatever resources are required to complete such an effort.[43]

Commission Response

58. Due to the modifications and changes made to the NOPR, the Commission has significantly reduced most of the administrative burden cited by the commenters as the primary justification for blanket exceptions from filing a quarterly financial report. For example, the Commission has eliminated the MD&A requirement from both the quarterly financial reports and the FERC Annual Reports, and will accept abbreviated notes to the quarterly financial reports. Additionally, the Final Rule provides additional relief for respondents by modifying the filing dates for the quarterly financial reports which will reduce the staffing resources needed to compile the data within the required timeframes. Therefore, the Commission will not provide blanket waivers or exemptions for respondents. Respondents must supplement their FERC Annual Reports with the quarterly financial reports as provided for in this Final Rule.

59. Finally, the Commission's staff has participated in informal meetings held to discuss potential accounting changes needed to the current regulatory accounting framework resulting from the formation of ISOs and RTOs. It continues to monitor the development of these entities in an effort to provide timely accounting guidance addressing their issues.[44] The Commission appreciates the ISO/RTO Council's offer to fully support an effort to update the Uniform System of Accounts to better accommodate their unique utility business model, and staff will continue to work with these entities and continue its efforts in this developing area.

C. Updates to the FERC Annual Reports

60. As part of updating the FERC Annual Reports, the Commission proposed to accelerate the filing dates. Additionally, the Commission proposed to add new schedules in the FERC Annual Report Nos. 1 and 1–F in order to collect information on the amount of ancillary services purchased and sold during the year, and to update the statistical classifications resulting from the use of the transmission system by and for others to reflect open access transmission established under Order No. 888.[45] The Commission also proposed to modify certain schedules that report revenues and expenses so that these schedules will report fourth quarter activity for certain account balances or utility functions. Based upon the comments received the Commission will modify certain aspects of the proposal as discussed below.

[37] *See, e.g.*, AGA at 3 and INGAA at 25.

[38] *See* AEP at 3 and 4; EEI at 5 and Southern at 3.

[39] *See, e.g.*, Connexus at 19 and Inland at 2.

[40] *See* ISO/RTO Council at 8.

[41] *Id.* at 9.

[42] *Id.* at 11.

[43] *Id.* at 8.

[44] For example, on October 1, 2001, the Chief Accountant issued Accounting Release No. 16, Operating and Administrating an Electric Power Exchange. This accounting release provided guidance to the electric industry on the proper accounting and reporting for revenues and expenses incurred to operate and administer a power exchange.

[45] *See* Promoting Wholesale Competition Through Open Access Non-discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities, Order No. 888, 61 FR 21540 (May 10, 1996), FERC Stats. & Regs., Regulations Preambles (Jan. 1991–June 1996), ¶ 31,036 (Apr. 24, 1996).

1. Filing Dates for the FERC Annual Reports

61. The Commission proposed to accelerate the filing dates for the FERC Annual Reports so that financial information will be obtained from all respondents on a more timely basis, and thereby increasing its transparency and usefulness. The Commission proposed that all respondents use the same accelerated filing dates adopted by the SEC.

Comments Received

62. APGA supports the proposal and suggests that due to advances in collecting and reporting an even shorter time frame may be appropriate. However, most commenters recommend that the existing filing dates remain, or even be extended, in order to give them additional time between the filing of the SEC 10–K reports and FERC Annual Reports.[46] These commenters cite significant administrative burden they will incur to prepare, review, and certify the FERC Annual Reports. Additionally D&T states that the acceleration of the FERC Annual Report deadline creates an additional burden for external accountants who must provide an auditor's opinion on the FERC Annual Report.

63. Oil pipeline companies assert that, under Section 20 of the Interstate Commerce Act, they have three months after the close of the reporting year to file their FERC Annual Reports with the Commission, and that many have found it difficult to meet the current filing date.[47] Kinder Morgan states that many pipelines routinely file for an extension of time to file because it has become difficult to meet the current March 31 deadline.

Commission Response

64. Based upon the comments received concerning the additional administrative burden that respondents will incur to implement the new corporate officer certification, and other reporting requirements contained in this Final Rule, the Commission will not require FERC Annual Reports to be filed on the same accelerated dates as proposed in the NOPR. The Commission will modify its existing filing dates for the FERC Annual Reports to provide for additional time to prepare and file the FERC Annual Reports.

65. In order to ease the administrative burden on respondents, the Commission will not include the proposed new schedules on ancillary services and other statistical classifications for the 2003 FERC Annual Reports that will be filed in 2004. Additionally, the Commission will modify the filing dates for the FERC Annual Reports as proposed in the NOPR. Finally, the Commission will provide for a temporary filing extension for the 2004 FERC Annual Report to give respondents additional time to establish the necessary procedures to report the data required by this Final Rule. These new dates and other modifications to the NOPR will relieve most of the administrative burden cited by the respondents and their external accountants. The table below details the filing dates for the Annual Report Forms 1, 1–F, 2, 2–A, and 6.

	Calendar year ending	Proposed in NOPR	Final rule
1	December 31, 2004	March 1, 2005	April 25, 2005.
2	Each Year Thereafter	March 1	April 18.

66. The modified filing dates for the FERC Annual Reports will reduce the administrative burden cited by respondents by eliminating simultaneous SEC 10–K and FERC Annual Report filings. Additionally, the new filing date will provide oil pipeline companies with additional time to file their FERC Annual Reports and thereby reduce the number of extension requests made by these respondents.

2. Ancillary Services

67. The Commission proposed to add a new schedule in the FERC Annual Report Nos. 1 and 1–F that details the amount of ancillary services purchased and sold during the year. The Commission explained in the NOPR that this schedule was needed because these services and related amounts have been reported in an inconsistent manner by most respondents. The proposed schedule would standardize the form and content of the data collected.

Comments Received

68. NARUC strongly supports the proposal to collect financial information on the amount of ancillary services purchased and sold during the year and argues that such information will help State commissions better monitor public utilities' compliance with open access transmission tariffs. Two commenters seek clarification concerning whether the data elements must be reported in dollars or megawatt hours.[48]

Commission Response

69. The Commission clarifies that the units of the data elements on the ancillary service schedule are to be reported in both dollars and the billing determinants reflecting usage.

70. For ratemaking and monitoring regulated transmission services, the Commission requires information from respondents on the dollar amounts for both expense and revenues associated with these services, as well as the usage-related billing determinants associated with these purchase and sales transactions. Therefore, the Commission will clarify the instructions and make the necessary modifications to the schedule for respondents to report both dollars and usage-related billing determinants associated with these services.

3. Electric Transmission Peak Loads

71. The Commission proposed a new schedule in the FERC Annual Report Nos. 1, 1–F, and in the quarterly financial reports that would collect information concerning the transmission system including the respondent's own use of its transmission system. This information will aid the Commission in evaluating the adequacy of existing traditional cost-based rates.

Comments Received

72. EEI indicates the electric transmission peak load schedule cannot be prepared within the timeframe that FERC is proposing, and the use of estimates will be required. Additionally, the breakdown of the system peak load into statistical classifications will tend to be subjective because there is no guidance on methodology which will result in inconsistent submissions by FERC respondents.

Commission Response

73. As previously mentioned, the Commission is modifying the filing dates for the FERC Annual Reports and

[46] *See, e.g.*, AEP at 3; AGA at 5; Cinergy at 5; EEI at 7; PSEG at 10; and San Diego at 4.

[47] *See* Chevron at 3; Gulf South at 6; and Kinder Morgan at 15.

[48] *See* Arizona at 8 and EEI at 23.

the quarterly financial reports. The changes in the filings dates should provide respondents with sufficient time to collect and report the required information.

74. Also, the Commission notes that monthly transmission system peak loads are measurable, not subjective. As guidance on methodology, the Commission clarifies that each of these peak loads are the Monthly Transmission System Peak as defined in the pro-forma Open Access Transmission Tariff. The value in the statistical classifications listed below the monthly peak should reflect each classification's contribution to the firm Monthly Transmission System Peak. In this regard, the Commission clarifies that the line labeled ''Non-Firm Service'' will be deleted, because non-firm service does not contribute to firm peak load. The Commission also clarifies this schedule will be included in the quarterly financial reports and the FERC Annual Report Nos. 1 and 1–F. If a respondent finds the use of estimates is necessary to complete the schedule, the respondent must indicate this fact on the schedule and fully describe the estimation methodology in a footnote.

4. Statistical Classifications

75. As part of the revisions to the FERC Annual Report Nos. 1 and 1–F, the Commission proposed to update the statistical classifications for the Schedule of Transmission of Electricity for Others, and for the Schedule of Transmission by Others, to reflect open access transmission established by Order No. 888.[49]

Comments Received

76. EEI states that the changes add new statistical classifications. EEI interprets the report to require a separate line for each customer, for each type of service taken, and for each transmission path used. EEI requests guidance for netting groups of customers, or for materiality thresholds, and contend that a literal interpretation of the proposal could result in thousands of lines of data.

Commission Response

77. The Commission notes that collection of the data fields on this page has been required in the FERC Annual Report No. 1 for years, and that the new, additional statistical classifications reflect service categories available under the pro-forma Open Access Transmission Tariff.

78. Clearly, the volume of data will vary by respondent. However, in cases of actual extreme volume, aggregation of data by logical criteria may be acceptable if the method of aggregation is clearly footnoted. In all cases, the respondent should keep a complete electronic copy of the disaggregated data.

5. Selected Fourth Quarter Data in FERC Annual Reports

79. The Commission proposed to break out certain fourth quarter account data for certain income statement accounts reported in the FERC Annual Reports. The Commission proposed that the revenue and expense account data be shown in two new columns, one column for the current quarter and a second column for the same quarter of the previous year.

Comments Received

80. Some commenters urge the Commission to eliminate the requirement to separately display fourth quarter data in the FERC Annual Reports. They argue that the requirement is more onerous than the SEC's requirement since the SEC requires only three quarters and one annual report, and there is no SEC requirement to analyze the fourth quarter separately. They also state that the FERC Annual Report should coincide with SEC reporting requirements for selected quarterly financial data to be presented in the financial notes.[50]

Commission Response

81. The Commission will not adopt the proposal requiring respondents to separately report certain fourth quarter income statement data in the FERC Annual Reports. Pursuant to this Final Rule, the Commission will require respondents to file three quarterly financial reports and a FERC Annual Report that reports on the account balances and activity for the entire year. The Commission's existing information technology has the ability to generate any needed internal special reports detailing selected fourth quarter activity for the purpose of review and evaluation. Therefore, the Commission finds that there is no need to burden respondents with separately displaying fourth quarter data in the FERC Annual Reports.

D. Corporate Officer Certification

82. Under the Commission's existing certification procedures, a company officer must sign a certification stating that he or she has examined the FERC Annual Report and to the best of his or her knowledge and belief, the statements contained in the FERC Annual Report are true. The Commission proposed to update the corporate officer certification language contained in the FERC Annual Report, and to include the updated language in the quarterly financial reports. The new corporate officer certification was proposed in response to recent changes in corporate governance practices. This update was proposed to improve the reliability of the financial information filed with the Commission.

83. A recent review of the FERC Annual Reports filed for the calendar year 2002 indicated inconsistencies in the level of management certifying the reports.[51] The level of management that certify the FERC Annual Reports ranged from assistant controllers, controllers, chief financial officers, or individuals at a higher level within the organization. Therefore, in order to provide uniformity of accountability for jurisdictional entities, the Commission proposed that the principal executive officer of the jurisdictional entity and the principal financial officer of the jurisdictional entity, and or persons performing similar functions for the jurisdictional entity certify the annual and quarterly financial reports. The certification required these corporate officers to state they reviewed the report, were responsible for the content of the report, and were responsible for establishing, maintaining, and evaluating internal controls and procedures.

Comments Received

84. In general, none of the commenters object to the Commission continuing to require corporate officers to certify the FERC Annual Report or quarterly financial report. APGA specifically describes the corporate officer certification as a necessity, and specifically supports the content of the certification. However, many commenters express concern over various aspects of the proposed corporate officer's certification. These comments range from the administrative

[49] Under the Uniform System of Accounts prescribed for Public Utilities and Licensees, revenues from transmission of electricity of others over transmission facilities of the respondent are recorded in Account 456, Other electric revenues, and amounts payable to others for the transmission of the respondent's electricity over transmission facilities owned by others are recorded in Account 565, Transmission of electricity by others.

[50] *See, e.g.,* DE at 5; FPL at 6 and Gulfterra at 4.

[51] *See, e.g.,* AEP Generating Company, FERC Annual Report No.1; Alliance Pipeline, L.P., FERC Annual Report No. 2; Belle Forche Pipeline Company, FERC Annual Report No. 6; Guardian Pipeline, LLC, FERC Annual Report No. 2; Kansas Gas and Electric Company, FERC Annual Report No. 1 and Seminole Creek, Ltd., FERC Annual Report No. 6.

burden associated with the level of corporate officers who are required to certify the financial report, to the content of the corporate officer's certification statement. These commenters request the Commission continue to use the current certification or to make certain modifications to the NOPR to clarify the certification requirements.[52]

85. Commenters urging the Commission to retain the current certification language argue that applying the Sarbanes-Oxley corporate officer certification standards to FERC Annual and quarterly financial reports would be a misapplication of the Sarbanes-Oxley standards because the Sarbanes-Oxley standards are intended to protect public investors.[53] Other commenters request that the Commission keep the current corporate officer certification because some of the language used in the proposed corporate officer certification statement does not apply to FERC respondents that are not publicly traded entities. Specifically, these commenters argue that references in the proposed corporate officer certification to audit committees and subsidiaries are inappropriate for certain FERC respondents.[54] AOPL states that most wholly-owned subsidiaries or privately held companies do not have an Audit Committee or equivalent position. AOPL argues that in order to make such a certification, FERC respondents that are wholly-owned subsidiaries or privately held companies will need to establish a position equivalent to an Audit Committee and to educate members of such an Audit Committee about the Uniform System of Accounts and FERC reporting requirements.

86. Other commenters request the Commission to use ''disclosure controls and procedures'' instead of ''internal controls.'' [55] Hampshire is concerned because the NOPR uses the terms ''internal controls'' and ''disclosure controls and procedures'' interchangeably. PacifiCorp seeks clarification on the definition of internal controls that is used in the proposed corporate officer certification statement. PacifiCorp defines ''disclosure controls and procedures'' as controls and procedures designed to ensure that information required to be disclosed in reports under the Securities Exchange Act of 1934 (''Exchange Act'') is accumulated and communicated to the issuer's management, as appropriate to allow timely decisions regarding disclosure. In addition, PacifiCorp refers to Section 404 of the Sarbanes-Oxley Act, annual reports for investors contain an internal control report describing the responsibility of management for establishing and maintaining an adequate internal control structure and procedures for financial reporting and an assessment of the effectiveness of the controls.

87. Additionally, Gulf South seeks clarification of the specific officers required to certify the FERC annual and quarterly financial reports. Gulf South states that the specific certification language is confusing and requests that the Commission clarify the language. Some commenters request a definition for a materiality standard for the corporate officer certification.[56] Still other commenters describe the corporate officer certification as duplicative of the SEC corporate officer certification, and some commenters request the Commission to use the current SEC corporate officer certification.[57]

88. Additionally, some commenters express specific concern about the administrative burden associated with the corporate officer certification. Specifically, commenters argue that since the FERC annual and quarterly financial reports contain so much more detail than a GAAP or SEC financial report, the burden on the corporate officers to certify the FERC Annual and quarterly financial reports is clearly unreasonable.[58] Other commenters express concern about the costs associated with educating officers about the accounting rules under Uniform System of Accounts.[59]

89. PacifiCorp requests the corporate officer certification statement be clarified to refer only to the respondent's overall financial condition and risk. PacifiCorp argues that it will be unduly burdensome for the Commission to require certification of individual account balances.

Commission Response

90. In order to strengthen the reliability of the financial data submitted to the Commission in the FERC Annual Reports and quarterly financial reports, the Chief Financial Officer or an individual performing that function will be required to certify these reports. The Commission views the officer certification requirement as an important part in the corporate governance process. Since the CFO is generally the corporate executive that directs all of the financial aspects of a company, the Commission views this level of management as the appropriate individual to attest to the financial information contained in the report. Senior level management involvement in the preparation and review of the quarterly financial reports and the FERC Annual Reports is essential to the process of respondents providing reliable financial information to the Commission.

91. As more fully discussed below, the Commission will use its existing corporate officer certification in the quarterly financial reports, and will use the more expansive corporate officer certification statement as proposed in the NOPR, with certain modifications, in the FERC Annual Reports.

1. Quarterly Financial Reports

92. As previously mentioned, the Commission proposed the same expansive corporate officer certification be used for both the quarterly financial report, and the FERC Annual Report. However, the Commission agrees with commenters that using the existing corporate officer certification statement for the quarterly financial report will alleviate the administrative burden cited by commenters while still maintaining a level of reliability appropriate for quarterly financial reports. The Commission will use the following corporate officer certification in the quarterly financial reports. The Chief Financial Office will sign the certification.

> I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

2. FERC Annual Reports

93. The Commission is modifying the corporate officer certification as proposed in the NOPR for the FERC Annual Report based upon the comments received. As discussed below, the Commission will define internal accounting control for purposes of its corporate officer certification, require only the chief financial officer to certify the report, make specific reference to the Commission's Uniform Systems of Accounts, and make other minor changes to the certification language.

[52] *See, e.g.*, BP at 9; Plains at 6 and 7; AOPL at 12; Kinder Morgan at 14; PacifiCorp at 9 and 10; INGAA at 26; EEI at 5.

[53] *See* EEI at 20.

[54] *See* AOPL at 12 and Hampshire at 5.

[55] *See* PacifiCorp at 10 and Hampshire at 5.

[56] *See* Williams at 4 and NiSource at 17.

[57] *See, e.g.*, INGAA at 26; Arizona at 7 and Kinder Morgan at 14.

[58] *See, e.g.*, INGAA at 26; Plains at 6; Kinder Morgan at 14 and Shell Pipeline at 13.

[59] *See* Plains at 6 and Shell Pipeline at 13.

94. In order to provide clarification, the Commission will replace the phrase ''internal controls'' with ''internal accounting controls.'' The Commission's use of ''internal accounting controls'' in the corporate officer certification will refer to the accounting policies, procedures, and systems that are sufficient to provide reasonable assurance that the financial statement schedules contained in the quarterly and annual reports conform in all material aspects with the Commission's Uniform System of Accounts and related regulations.

95. The Commission is of the view that respondents should have sufficient accounting controls in place at a level acceptable in order to provide reasonable assurance that the financial information contained in the report conforms in all material respects with the Commission's Uniform Systems of Accounts and related regulations. While the Commission notes that this may add some additional burden for respondents, the Commission views the certification as a necessity in order to ensure the reliability of the information presented in the report.

96. The Commission agrees with commenters that it may be unduly burdensome to require multiple corporate officers to certify the FERC Annual Reports and quarterly financial reports. Therefore, the Commission will only require the CFO or a person performing similar functions to certify the reports. The Commission notes that many CFOs already certify the FERC Annual Report and, therefore, requiring this level of management to certify the reports should not present an undue burden on respondents.[60]

97. The Commission will not use identical SEC language for its corporate officer certification requirements. The SEC's corporate officer certification is based upon the Exchange Act and subsequent SEC regulations. As previously noted in this Final Rule, many FERC jurisdictional companies are not subject to SEC regulations. Additionally, the SEC corporate officer certification addresses financial statements prepared in accordance with generally accepted accounting principles (GAAP) while the FERC Annual Reports are based on the Commission's Uniform System of Accounts.

98. The Commission will clarify that it did not propose that respondents file a management internal control report in the NOPR, and it is not a requirement of this Final Rule. Apparently there was some confusion among commenters due to the language used in the NOPR issued by the Commission on June 26, 2003, and the SEC's Release on Management's Internal Control Report issued on June 5, 2003. This SEC Release required companies to file an internal control report containing a management opinion on their internal controls.

99. The Commission is also eliminating the requirement to have multiple officers certify the quarterly and annual reports. The Commission will only require the updated certification for the financial statements and notes to the financial statements. The Commission will keep the current certification language to address matters reported in the other schedules contained in the FERC Annual Reports.

100. The corporate officer certification contained in the FERC Annual Reports will read as follows:

The undersigned officer certifies that:

I have read this FERC Annual Financial Report:

Based on my knowledge this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances such statements were made, not misleading with respect to the period covered by this report.

Based on my knowledge the financial statements, and other financial information (Comparative Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, Statement of Cash Flows, Statement of Accumulated Comprehensive Income and Hedging Activities, and Notes to the Financial Statements) included in this report conform in all material respects with the Commission's Uniform System of Accounts, as of, and for, the periods presented in this report.

I am responsible for establishing and maintaining internal accounting controls as defined by the Commission. I have designed such internal accounting controls to ensure that material information relating to the respondent and its subsidiaries, to the extent that the respondent has subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared. I have evaluated the effectiveness of the internal accounting controls as of a date within 90 days prior to the period in this report (evaluation date). I have presented in this report my conclusions about the effectiveness of the internal accounting controls based on my evaluation as of the evaluation date.

I have disclosed, based on my most recent evaluation, to the respondent's auditors and the audit committee or persons performing similar functions, to the extent that the respondent has an audit committee or persons performing similar functions, that all significant deficiencies in the design or operation of internal accounting controls which could adversely affect the respondent's ability to record, process, summarize and report financial data and have identified for the respondent's auditors any material weaknesses in disclosure controls and procedures and any fraud, whether or not material, that involves management or other employees who have a significant role in the respondent's internal accounting controls.

I have indicated in this report whether or not there were significant changes in internal accounting controls and procedures or in other factors that could significantly affect internal accounting controls and procedures subsequent to the date of my most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

In addition, I have examined the remaining schedules contained in this report, to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

E. Miscellaneous Matters

1. Fiscal Year Reporting

101. PacifiCorp urges the Commission to adopt the same fiscal annual and quarterly reporting requirements implemented by the SEC. PacifiCorp requests that the Commission clarify that it will recognize fiscal year reporting. It also requests the Commission allow such entities to file their FERC quarterly financial reports after the end of each fiscal quarter because it asserts that having parallel filing schemes and timelines with the SEC will ease administrative burden on utilities filing financial reports with both the Commission and the SEC. Finally, PacifiCorp is concerned that if the Commission does not allow fiscal year reporters to file on a fiscal year basis, they will violate SEC fair disclosure rules. They argue that under the NOPR's filing dates they will be filing fourth quarter earnings under the FERC requirements before they are required to do so under the SEC rules.

102. The Commission does not permit fiscal year respondents to file FERC Annual Reports on a fiscal year basis. The Commission requires these respondents to file on a calendar year in order to maintain a uniform basis of information collected from respondents filing the FERC Annual Report and quarterly financial reports for purposes of compiling data and making comparisons. Therefore, the financial information reported in the quarterly financial reports must be synchronized with the FERC Annual Reports which are presented on a calendar year to date basis. Finally, in light of the

[60] *See, e.g.*, Avista Corp., FERC Annual Report No. 1; MIGC, Inc. FERC Annual Report No. 2 and Rocky Mountain Pipeline System LLP, FERC Annual Report No. 6.

modifications to the quarterly and annual report filing dates in this Final Rule, the Commission finds that FERC respondents will not be reporting financial information ahead of the filings made with the SEC and therefore fiscal year FERC respondents will not violate the SEC's fair disclosure rules.

2. Expand Data Collection in FERC Annual Reports

103. The Commission also received requests from some commenters to expand the content of data and information collected in the FERC Annual Report Nos. 2 and 2A. These commenters urge the Commission to expand the financial information collected on such items as miscellaneous current and accrued liabilities, revenues from gathering, transmission and storage, miscellaneous general expenses, outside services employed, and to increase the record retention and availability of transactional activity. These commenters also urge the Commission to change the FERC Annual Reports to include information on the respondent's rate base, costs, and revenues, and provide additional disclosures on capital structure.[61] The Commission will not act on these recommendations in the Final Rule because these changes are outside the scope of the proposal.

3. Requests for a Technical Conference

104. Some commenters urge the Commission to schedule a technical conference to allow for further dialogue and industry participation before issuing a Final Rule.[62] However, the comments submitted by FERC jurisdictional entities, industry associations, state regulatory bodies, and others were detailed and comprehensive. The Final Rule contains significant modifications from the NOPR based upon the comments received. Therefore, the Commission declines to hold a technical conference before issuing the Final Rule. If respondents have questions regarding reporting matters contained in this Final Rule, they should submit those questions to the Chief Accountant as provided for in the Commission's Uniform Systems of Accounts, and related regulations.

105. This Final Rule is the result of an exhaustive and collaborative process among all stakeholders. The Commission believes it is appropriate to assess the adequacy and costs of these new reporting requirements. To this end, the Commission directs staff to determine if any improvements should be made to the new quarterly and annual financial reporting requirements. This review will be undertaken after a full reporting cycle, and notice and comment, with a staff report to the Commission.

F. Elimination of the Cash Management Notification Reports

106. On October 23, 2003, the Commission in Order No. 634–A, issued a Final Rule on the regulation of cash management practices.[63] As part of Order No. 634–A the Commission requires respondents participating in cash management programs, and who are not electric cooperatives, to determine on a quarterly basis the percentage of their capital structure that constitutes proprietary capital, and in the event the ratio is less than thirty percent the entity must notify the Commission within 45 days after the end of each calendar quarter.

107. Respondents are required to describe the significant events or transactions causing the entity's proprietary capital to drop below thirty percent, and the extent to which the entity has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through its cash management program(s) must be reported, along with plans, if any, to regain at least a thirty percent proprietary capital. Finally, the respondent must notify the Commission within 45 days after the end of the calendar quarter when the entity's proprietary capital subsequently returns to, or exceeds, thirty percent.

108. The Commission finds the quarterly financial reports in this Final Rule provide the Commission with the financial information necessary to determine the extent to which a FERC-jurisdictional entity's proprietary capital is less than thirty percent at the end of each quarter. Therefore, in order to minimize the reporting burden on FERC jurisdictional entities, the Commission will eliminate the separate filing requirement contained in §§ 141.500, 260.400, and 357.500 of the Commission's regulations. The Commission finds that the informational requirements concerning the significant events or transactions causing the proprietary capital ratio to drop below thirty percent, along with the respondent's plans, if any, to regain at least a thirty percent proprietary capital ratio, and the extent to which the entity has amounts loaned or advanced to its parent, subsidiary or affiliate through its cash management program(s) must be reported in the Important Changes During the Quarter, and Important Changes During the Year schedule contained in the respective quarterly financial reports, and FERC Annual Reports.

IV. Regulatory Flexibility Act Certification

109. The Regulatory Flexibility Act of 1980 (RFA) requires agencies to prepare certain statements, descriptions, and analyses of proposed rules that will have a significant economic impact on a substantial number of small entities.[64] The Commission is not required to make such analyses if a rule would not have such an effect.

110. The Commission concludes that this Final Rule would not have such an impact on small entities. Most companies regulated by the Commission do not fall within the RFA's definition of a small entity, and the data required by this rule are already being captured by their accounting systems. However, if the recordkeeping requirements represent an undue burden on small businesses, the entity affected may seek a waiver from the Commission.

V. Environmental Impact Statement

111. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.[65] The Commission excludes certain actions not having a significant effect on the human environment from the requirement to prepare an environmental impact statement.[66] No environmental consideration is raised by the promulgation of a rule that is procedural or does not substantially change the effect of legislation or regulations being amended.[67] This Final Rule updates parts 141, 260, 357 and 375 of the Commission's regulations and does not substantially change the effect of the underlying legislation or the regulations being revised or eliminated.

[61] *See* Missouri PSC at 5 through 8 and IC's Attachment.

[62] *See, e.g.*, AOPL at 27 and 28; EEI at 6; FirstEnergy at 7 and ISO/RTO Council at 17.

[63] *See* Regulation of Cash Management Practices, RM02–14–000, NOPR issued on August 1, 2002, 67 FR 51150 (Aug. 7, 2002), IV FERC Stats. & Regs. ¶ 32,561 (Aug. 1, 2002), Interim Order No. 634 issued on July 8, 2003, 68 FR 40500 (July 8, 2003), III FERC Stats. & Regs. ¶ 31,145 (June 26, 2003) and Order No. 634–A issued on October 23, 2003, 68 FR 61993 (Oct. 31, 2003), III FERC Stats. & Regs. ¶ 31,152 (Oct. 23, 2003).

[64] *See* 5 U.S.C. 601–612 (2000).

[65] *See* Order No. 486, Regulations Implementing the National Environmental Policy Act, 52 FR 47897 (Dec. 17, 1987), FERC Stats. & Regs. Preambles 1986–1990 ¶ 30,783 (1987).

[66] *See* 18 CFR 380.4 (2003).

[67] *See* 18 CFR 380.4(a)(2)(ii) (2003).

Accordingly, no environmental consideration is necessary.

VI. Information Collection Statement

112. The Office of Management and Budget's (OMB) regulations require approval of certain information collection requirements imposed by agency rules.[68] Upon approval of a collection of information, OMB will assign an OMB control number and expiration date. Respondents subject to the filing requirements of this Final Rule will not be penalized for failing to respond to these collections of information unless the collections of information display a valid OMB control number. In accordance with Section 3560(d) of the Paperwork Reduction Act of 1995,[69] the information collection requirements in the rulemaking were submitted to OMB for review.

113. As the Commission states in the NOPR, the compliance burden of this Final Rule will be minimal for jurisdictional entities because it is standard accounting practice for companies to compile and summarize accounting transactions on a monthly basis under the Commission's existing accounting regulations. Additionally, it is standard accounting and reporting practice for publicly-held corporations to prepare financial statements on quarterly and annual basis for their stockholders and the SEC. Privately-held companies also prepare quarterly financial statements so that their financial condition and results of operations may be understood by selected creditors and their owners. The Commission projected that the total number of hours that each respondent would require to complete the quarterly reports is approximately 72 hours per year.

114. The Commission estimated in the NOPR that most of the administrative burden associated with the proposal would result from respondents completing the MD&A schedule, preparing notes to the quarterly financial statements, performing the necessary review procedures for the corporate officers certification, and filing the reports within the prescribed time frames. As more fully discussed below, the modifications made to the original proposal should result in a substantial decrease in the administrative burden placed on jurisdictional entities.

Comments Received

115. Many commenters disagree with the Commission's administrative burden estimate citing the time required to prepare an MD&A, as proposed in the NOPR, to prepare a complete set of notes to the financial statements, and to obtain multiple corporate officers' certifications, and the additional staffing needed to compile, prepare, and file the reports within the time frames specified.

116. INGAA states that the preparation of an MD&A and the notes to the financial statements, as proposed in the NOPR, would account for over 50 percent of the projected cost of compliance with rule. AOPL states that for privately held companies that do not currently prepare an MD&A schedule the quarterly burden would be 220 hours with an additional 80 hours added to the annual report.

117. Additionally, many commenters expressed concern about the proposed Corporate Officer Certification. EEI states that the internal officer certification would take an average of 13.3 hours for the quarterly reports and 13.6 hours for the FERC Annual Reports. However, SCE estimated that it would take their company 50 hours to complete the corporate officer's certification.

118. Finally, commenters express concern over the administrative burden resulting from accelerating the filing dates of the annual reports and the proposed filing dates for the quarterly reports. Most commenters state that it would take additional staffing to concurrently prepare quarterly and annual reports for the SEC and for the FERC. While not providing specific burden hours resulting from the proposed filing dates of the quarterly and annual reports, INGAA state that by changing the filing deadlines forty percent of their compliance costs would be reduced.

Commission Response

119. The modifications made in this Final Rule will significantly reduce or eliminate the administrative burden cited by commenters. The elimination of the requirement for respondents to prepare an MD&A schedule as proposed in the NOPR, and the use of abbreviated notes the financial statements that only discuss significant changes from the prior year's notes, will significantly reduce or eliminate the alleged administrative burden on respondents.

120. Additionally, in response to the administrative burden raised by respondents due to concurrent SEC and FERC filing dates, the Commission is extending the filing dates for FERC Annual Reports and quarterly financial reports as proposed in the NOPR. Finally, the Final Rule modifies the corporate officer certification statement, and only requires the Chief Financial Officer to certify the quarterly and annual reports.

121. As a result of these modifications, the Commission estimates that the reporting requirements for the quarterly financial report Nos. 3–Q and 6–Q, and increased reporting requirements for the FERC Annual Report Nos. 1, 1–F, 2, 2–A, and 6 contained in this Final Rule are as follows:

	Data collection form (a)	Number of respondents (b)	Number of hours (c)	Filing periods (d)	Total annual hours (e)=(b)×(c)×(d)
1	FERC Form 3–Q	353	150	3	158,850
2	FERC Form 6–Q	159	150	3	71,550
3	FERC Form 1	216	75	1	16,200
4	FERC Form 1–F	27	75	1	2,025
5	FERC Form 2	57	75	1	4,275
6	FERC Form 2–A	53	75	1	3,975
7	FERC Form 6	159	75	1	11,925
8	Totals				268,800

[68] *See* 5 U.S.C. 601–612 (2000).

[69] *See* 44 U.S.C. 3507(d) (2000).

Total Annual Hours for Collection:

(Est. Reporting + Recordkeeping, [if appropriate)) = 268,800.

122. In conclusion, the Final Rule contains significant changes to the NOPR and thereby has significantly reduced the administrative burden cited by the commenters. However, respondents will incur some additional administrative burden in providing supplemental financial information to the Commission as a result of this Final Rule. As recent events regarding the impact of inappropriate accounting and financial reporting and recent changes in corporate governance practices have clearly demonstrated, the additional administrative burden placed on respondents is far outweighed by the benefits the Commission will obtain from receiving financial information from respondents that that is transparent, timely, relevant, and reliable.

VII. Document Availability

123. In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through FERC's Web site *(http://www.ferc.gov)* and in FERC's Public Reference Room during normal business hours (8:30 a.m. to 5 p.m. Eastern time) at 888 First Street, NE., Room 2A, Washington DC 20426.

124. From FERC's Web site on the Internet, this information is available in the eLibrary (formerly FERRIS). The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field and follow other directions on the search page.

125. User assistance is available for eLibrary and other aspects of the FERC's Web site during normal business hours. For assistance, contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659.

VIII. Effective Date and Congressional Notificiation

126. This Final Rule will take effect March 29, 2004. The Commission has determined with the concurrence of the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget, that this rule is not a major rule within the meaning of Section 251 of the Small Business Regulatory Enforcement Fairness Act of 1996.[70] The Commission will submit the Final Rule to both houses of Congress and the General Accounting Office.[71]

List of Subjects

18 CFR Part 141

Electric power, Reporting and recordkeeping requirements.

18 CFR Part 260

Natural gas, Reporting and recordkeeping requirements.

18 CFR Part 357

Pipelines, Reporting and recordkeeping requirements.

18 CFR Part 375

Authority delegations (Government agencies), Seals and insignia, Sunshine Act.

By the Commission.

Magalie R. Salas,

Secretary.

■ In consideration of the foregoing, the Commission amends parts 141, 260, 357, and 375, Chapter I, Title 18, *Code of Federal Regulations,* as follows.

PART 141—STATEMENTS AND REPORTS (SCHEDULES)

■ 1. The authority citation for part 141 continues to read as follows:

Authority: 15 U.S.C. 79; 16 U.S.C. 791a-828c, 2601–2645; 31 U.S.C. 9701; 42 U.S.C. 7101–7352.

■ 2. In § 141.1, paragraph (b) (2) is revised to read as follows:

§ 141.1 FERC Form No. 1, Annual report of Major electric utilities, licensees, and others.

* * * * *

(b) *Filing requirements.* * * *

(2) *When to file and what to file.* (i) The annual report for the year ending December 31, 2004, must be filed on April 25, 2005.

(ii) The annual report for each year thereafter must be filed on April 18.

(iii) This report must be filed with the Federal Energy Regulatory Commission as prescribed in § 385.2011 of this chapter and as indicated in the General Instructions set out in this form, and must be properly completed and verified. Filing on electronic media pursuant to § 385.2011 of this chapter is required.

■ 3. In § 141.2, paragraph (b) (2) is revised as follows:

§ 141.2 FERC Form No. 1–F, Annual report for Nonmajor public utilities and licensees.

* * * * *

(b) *Filing requirements.* * * *

(2) *When to file.* (i) The annual report for the year ending December 31, 2004, must be filed on April 25, 2005.

(ii) The annual report for each year thereafter must be filed on April 18.

■ 4. Section 141.400 is added to read as follows:

§ 141.400 FERC Form No. 3–Q, Quarterly financial report of electric utilities, licensees, and natural gas companies.

(a) *Prescription.* The quarterly report of electric utilities, licensees, and natural gas companies, designated as FERC Form No. 3–Q, is prescribed for the reporting quarter ending March 31, 2004, and each quarter thereafter.

(b) *Filing requirements.* (1) *Who must file*—(i) *Generally.* Each electric utility (as defined in part 101 of subchapter C of this chapter) and other entity, *i.e.* each corporation, person, or licensee as defined in Section 3 of the Federal Power Act (16 U.S.C. 792 *et. seq.*), including any agency or instrumentality engaged in generation, transmission, distribution, or sale of electric energy, however produced, throughout the United States and its possessions, having sales or transmission service, whether or not the jurisdiction of the Commission is otherwise involved, must prepare and file with the Commission FERC Form No. 3–Q pursuant to the General Instructions set out in that form.

(ii) *Exceptions.* This report form is not prescribed for any agency, authority or instrumentality of the United States, nor is it prescribed for municipalities as defined in section 3 of the Federal Power Act; (*i.e.* a city, county, irrigation district, or other political subdivision or agency of a State competent under the laws thereof to carry on the business of developing, transmitting, utilizing, or distributing power).

(2) Each major public utility and licensee must file the quarterly financial report form as follows:

(i) The quarterly financial report for the period January 1 through March 31, 2004, must be filed on or before July 9, 2004.

(ii) The quarterly financial report for the period April 1 through June 30, 2004, must be filed on or before September 8, 2004.

(iii) The quarterly financial report for the period July 1 through September 30, 2004, must be filed on or before December 9, 2004.

(iv) Subsequent quarterly financial reports must be filed within 60 days from the end of the reporting quarter.

[70] *See* 5 U.S.C. 804(2) (2000).

[71] *See* 5 U.S.C. 801(a)(1)(A) (2000).

(3) Nonmajor public utilities and licensees must file the quarterly financial report form as follows:

(i) The quarterly financial report for the period January 1 through March 31, 2004, must be filed on or before June 23, 2004.

(ii) The quarterly financial report for the period April 1 through June 30, 2004, must be filed on or before September 22, 2004.

(iii) The quarterly financial report for the period July 1 through September 30, 2004, must be filed on or before December 23, 2004.

(iv) Subsequent quarterly financial reports must be filed within 70 days from the end of the reporting quarter.

(4) This report must be filed as prescribed in § 385.2011 of this chapter and as indicated in the General Instructions set out in the quarterly financial report form, and must be properly completed and verified. Filing on electronic media pursuant to § 385.2011 of this chapter will be required commencing with the quarterly financial report ending March 31, 2004, due on or before July 9, 2004 for major public utilities and licensees, and due on or before July 23, 2004 for nonmajor public utilities and licensees.

■ 5. In § 141.500, paragraphs (b), (c) and (d) are removed, the paragraph designation for paragraph (a) is removed, and the section heading is revised to read as set forth below:

§ 141.500 Cash management programs.

PART 260—STATEMENTS AND REPORTS (SCHEDULES)

■ 6. The authority citation for part 260 continues to read as follows:

Authority: 15 U.S.C. 717–717w, 3301–3432; 42 U.S.C. 7101–7352.

■ 7. In § 260.1, paragraph (b) is revised as follows:

§ 260.1 FERC Form No. 2, Annual report for Major natural gas companies.

* * * * *

(b) *Filing requirements.* Each natural gas company, as defined by the Natural Gas Act (15 U.S.C. 717, *et seq.*) which is a major company (a natural gas company whose combined gas transported or stored for a fee exceed 50 million Dth in each of the three previous calendar years) must prepare and file with the Commission, as follows:

(1) The annual report for the year ending December 2004 must be filed on April 25, 2005.

(2) The annual report for each year thereafter must be filed on April 18 of the subsequent year.

(3) Newly established entities must use projected data to determine whether FERC Form No. 2 must be filed.

(4) The form must be filed in electronic format only, as indicated in the general instructions set out in that form. The format for the electronic filing can be obtained at the Federal Energy Regulatory Commission, Division of Information Services, Public Reference and Files Maintenance Branch, Washington, DC 20426. One copy of the report must be retained by the respondent in its files.

■ 8. In § 260.2, paragraph (b) is revised to read as follows:

§ 260.2 FERC Form No. 2–A, Annual reports for Nonmajor natural gas companies.

* * * * *

(b) *Filing requirements.* Each natural gas company, as defined by the Natural Gas Act, not meeting the filing threshold for FERC Form No. 2, but having total gas sales or volume transactions exceeding 200,000 Dth in each of the three previous calendar years, must prepare and file with the Commission, as follows:

(1) The annual report for the year ending December 2004 must be filed on April 25, 2005.

(2) The annual report for each year thereafter must be filed on April 18 of the subsequent year.

(3) Newly established entities must use projected data to determine whether FERC Form No. 2–A must be filed.

(4) The form must be filed in electronic format only, as indicated in the General Instructions set out in that form. The format for the electronic filing can be obtained at the Federal Energy Regulatory Commission, Division of Information Services, Public Reference and Files Maintenance Branch, Washington, DC 20426. One copy of the report must be retained by the respondent in its files.

■ 9. Section 260.300 is added to read as follows:

§ 260.300 FERC Form No. 3–Q, Quarterly financial report of electric utilities, licensees, and natural gas companies.

(a) *Prescription.* The quarterly report for electric utilities, licensees, and natural gas companies, designated herein as FERC Form No. 3–Q, is prescribed for the reporting quarter ending March 31, 2004, and each quarter thereafter.

(b) *Filing requirements.* (1) *Who must file.* Each natural gas company, (as defined in the Natural Gas Act (15 U.S.C. 717, *et. seq.*) must prepare and file with the Commission a FERC Form No. 3–Q pursuant to the General Instructions set out in that form.

(2) Each Major natural gas company must file this quarterly financial report form as follows:

(i) The quarterly financial report for the period January 1 through March 31, 2004, must be filed on or before July 9, 2004.

(ii) The quarterly financial report for the period April 1 through June 30, 2004, must be filed on or before September 8, 2004.

(iii) The quarterly financial report for the period July 1 through September 30, 2004, must be filed on or before December 9, 2004.

(iv) Subsequent quarterly financial reports must be filed within 60 days from the end of the reporting quarter.

(3) Each Nonmajor natural gas company must file a quarterly financial report as follows:

(i) The quarterly financial report for the period January 1 through March 31, 2004, must be filed on or before July 23, 2004.

(ii) The quarterly financial report for the period April 1 through June 30, 2004, must be filed on or before September 22, 2004.

(iii) The quarterly financial report for the period July 1 through September 30, 2004, must be filed on or before December 23, 2004.

(iv) Subsequent quarterly financial reports must be filed within 70 days from the end of the reporting quarter.

(4) This report must be filed as prescribed in § 385.2011 of this chapter as indicated in the General Instructions set out in the quarterly financial report form, and must be properly completed and verified. Filing on electronic media pursuant to § 385.2011 of this chapter will be required commencing with the quarterly financial report ending March 31, 2004, due on or before July 9, 2004 for major natural gas companies, and due on or before July 23, 2004 for nonmajor natural gas companies. One copy of the report must be retained by the respondent in its files.

■ 10. In § 260.400, paragraphs (b), (c) and (d) are removed, the paragraph designation for paragraph (a) is removed, and the section heading is revised to read as set forth below:

§ 260.400 Cash management programs.

PART 357—ANNUAL SPECIAL OR PERIODIC REPORTS: CARRIERS SUBJECT TO PART I OF THE INTERSTATE COMMERCE ACT

■ 11. The authority citation for part 357 continues to read as follows:

Authority: 42 U.S.C. 7101–7352; 49 U.S.C. 60502; 49 App. U.S.C. 1–85 (1988).

■ 12. In § 357.2, paragraph (b) is revised to read as follows:

§ 357.2 FERC Form No. 6, Annual report of oil pipeline companies.

* * * * *

(b) *When to file.* (1) The annual report for the year ending December 31, 2004, must be filed on April 25, 2005.

(2) The annual report for each year thereafter must be filed on April 18 of the subsequent year.

* * * * *

■ 13. Section 357.4 is added to read as follows:

§ 357.4 FERC Form No. 6–Q, Quarterly report of oil pipeline companies.

(a) *Prescription.* The quarterly financial report form of oil pipeline companies, designated as FERC Form No. 6–Q, is prescribed for the reporting quarter ending March 31, 2004, and each quarter thereafter.

(b) *Filing requirements.* (1) *Who must file.* Each oil pipeline company, subject to the provisions of section 20 of the Interstate Commerce Act, must prepare and file with the Commission FERC Form No. 6–Q.

(2) *When to file and what to file.* This quarterly financial report form must be filed as follows:

(i) The quarterly financial report for the period January 1 through March 31, 2004, must be filed on or before July 23, 2004.

(ii) The quarterly financial report for the period April 1 through June 30, 2004, must be filed on or before September 22, 2004.

(iii) The quarterly financial report for the period July 1 through September 30, 2004, must be filed on or before December 23, 2004.

(iv) Subsequent quarterly financial reports must be filed within 70 days from the end of the reporting quarter.

(v) This report must be filed as prescribed in § 385.2011 of this chapter and as indicated in the General Instructions set out in the quarterly report form, and must be properly completed and verified. Filing on electronic media pursuant to § 385.2011 of this chapter will be required commencing with the reporting quarter ending March 31, 2004, due on or before July 23, 2004.

■ 14. In § 357.5, paragraphs (b), (c) and (d) are removed, the paragraph designation for paragraph (a) is removed, and the section heading is revised to read as set forth below:

§ 357.5 Cash management programs.

PART 375—THE COMMISSION

■ 15. The authority citation for part 375 continues to read as follows:

Authority: 5 U.S.C. 551–557; 15 U.S.C. 717–717w, 3301–3432; 16 U.S.C. 791–825r, 2601–2645; 42 U.S.C. 7101–7352.

■ 16. In § 375.303, paragraphs (d) and (e) are added to read as follows:

§ 375.303 Delegations to the Chief Accountant.

* * * * *

(d) Accept for filing Quarterly Financial Report Form Nos. 3–Q and 6–Q if such filings are in compliance with Commission orders or decisions, and when appropriate, notify the party of such acceptance.

Issue and sign deficiency letters if the filing fails to comply with applicable statutory requirements, and with all applicable Commission rules, regulations, and orders for which a waiver has not been granted.

(e) Deny or grant, in whole or in part, requests for waiver of the reporting requirements for the forms under §§ 141.400, 260.300, and 357.400 of this chapter and the filing of these forms on electronic media under § 385.2011 of this chapter.

Note: The following appendices will not be published in the Code of Federal Regulations.

APPENDIX A: LIST OF COMMENTERS

	Company name	Abbreviation
1	American Electric Power Company, Inc	AEP.
2	American Gas Association	AGA.
3	American Public Gas Association	APGA.
4	Arizona Public Service Company	Arizona.
5	Association of Oil Pipe Lines	AOPL.
6	BP Pipelines (North America), Inc	BP.
7	Chevron Texaco Pipelines	Chevron.
8	Cinergy Companies	Cinergy.
9	Colonial Pipeline Company	Colonial.
10	ConocoPhilips Company	Conoco.
11	Connexus Energy and Walton Electric Membership	Connexus.
12	Consolidated Edison Inc	ConEd.
13	Consumers Energy Company	CE.
14	Deloitte & Touche	D&T.
15	Detroit Edison Company	Detroit Ed.
16	Dominion Resources Inc	Dominion.
17	Duke Energy Corporation	Duke.
18	Dynegy NGL Pipeline Company LLC	Dynegy.
19	Edison Electric Institute	EEI.
20	El Paso Corporation's Pipeline Group	El Paso.
21	Empire District Electric Company	Empire.
22	Entergy Corporation	Entergy.
23	Enterprise Products Operating L.P	EPO.
24	ExxonMobil Pipeline Company	Exxon.
25	FirstEnergy Corp	FirstEnergy.
26	Florida Power & Light	FP&L.
27	Genesis Pipeline USA L.P	Genesis.
28	Graham County Electric Cooperative, Inc	Graham.
29	Gulfterra Energy Partners, L.P	Gulfterra.
30	Gulf South Pipeline Company LP	Gulf South.
31	Hampshire Gas Company	Hampshire.
32	Independent System Operator/Regional Transmission Organizational Council	ISO/RTO Council.
33	Industry Coalition	IC.
34	Inland Power & Light	Inland.

APPENDIX A: LIST OF COMMENTERS—Continued

	Company name	Abbreviation
35	International Transmission Company	ITC.
36	Interstate Natural Gas Associations America	INGAA.
37	Iroquois Gas Transmission System, L.P	Iroquois.
38	Kelso Beaver Pipeline Company	Kelso.
39	KeySpan Corporation	KeySpan.
40	Kinder Morgan Liquids Pipeline	Kinder Morgan.
41	Koch Pipeline Company, L.P	Koch.
42	Maine Public Service Company	MPSC.
43	MidAmerican Energy Company	MidAmerica.
44	Missouri Public Service Commission	Missouri PSC.
45	National Association of Regulatory Utility Commissioners	NARUC.
46	National Grid USA	National Grid.
47	National Rural Electric Cooperative Association	NRECA.
48	National Rural Utilities Cooperative Finance Corp	NRUCFC.
49	NiSource Inc	Nisource.
50	Northeast Utilities	NU.
51	Northern Natural Gas Company	Northern Natural.
52	Old Dominion Electric Cooperative	Old Dominion.
53	Otter Tail Power Company	Otter Tail.
54	PacificCorp	PacificCorp.
55	Pepco Holdings Inc	Pepco.
56	Plains All American Pipeline LP	Plains.
57	Portland General Electric Company	Portland General.
58	PricewaterhouseCoopers LLP	PWC.
59	PSEG Companies	PSEG.
60	Rayburn County Electric Cooperative Inc	Rayburn.
61	San Diego Gas & Electric Company	San Diego.
62	SCANA Corp	SCANA.
63	Shell Gas Transmission LLC	Shell Gas.
64	Shell Pipeline Company LP's	Shell Pipeline.
65	Southern California Edison	SCE.
66	Southern Company	Southern.
67	Sunoco Pipeline L.P.	Sunoco.
68	Texas Gas Transmission, LLC	Texas Gas.
69	Tucson Electric Power Company	Tucson.
70	Unocal Pipeline Company	Unocal.
71	USG Pipeline Company	USG.
72	Williams Pipe Line Company, LLC	Williams.
73	Williston Basin Interstate Pipeline	Williston Basin.
74	Wolverine Power Supply Corporative	Wolverine.

BILLING CODE 6717–01–P

Docket No. RM03-8-000
Appendix B: Form 3-Q and 6-Q Samples

Form Approved
OMB No. _____
(Expires Month/Day/Year)

THIS FILING IS:
___ An Initial (Original) Application or
___ Resubmission No.____
RESPONDENT IS:
____(E) Electric Utility, Licensee
____(G) Natural Gas Company

FERC FORM No. 3-Q: QUARTERLY FINANCIAL REPORT OF ELECTRIC UTILITIES, LICENSEES, AND NATURAL GAS COMPANIES

This report is mandatory under the Federal Power Act, Sections 3, 4(a), 304, 309, and 18 CFR 141.400, for public utilities and licensees, and under the Natural Gas Act, Sections 10(a), 16, and 18CFR 260.300, for natural gas companies. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)	For The Quarter Ending
_____	____Month/Day/Year

Docket No. RM03-8-000
Appendix B: Form 3-Q and 6-Q Samples

LIST OF SCHEDULES

Enter in columns (a) and (b) the terms "none," "not applicable," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none" or "not applicable".

Line No.	Title of Schedule	Page No.	Electric Utility, Licensee (a)	Natural Gas Company (b)
1	General Information	4-5		
2	Excerpts From the Law and General Penalties	6-7		
3	General Instructions	8		
4	Identification	9		
5	Officer Certification	10		
6	Important Changes During the Quarter	11		
7	Comparative Balance Sheet	12-16		
8	Statement of Income and Retained Earnings	17-21		
10	Statement of Cash Flows	22-24		
11	Statement of Accumulated Comprehensive Income and Hedging Activities	25-26		
12	Notes to the Financial Statements	27		
14	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion	28-29		
15	Plant in Service and Accumulated Provision for Depreciation By Function	30		
16	Public Utility and Licensees – Electric Revenues and Megawatt Hours	31		
17	Natural Gas Company – Gas Revenues and Dekatherms	32		
18	Depreciation, Depletion and Amortization Expenses of Utility Plant	33		
19	Electric Production, Other Power and Transmission and Distribution Expenses	34-35		
20	Gas Production and Other Gas Supply Expenses	36		
21	Natural Gas Storage, Terminaling, Processing, Transmission and Distribution Expenses	37		
22	Customer Accounts, Service, Sales, Administrative and General Expenses	38		
23	Other Regulatory Assets	39		
24	Other Regulatory Liabilities	40		
25	Transmission of Electricity For Others	41-42		

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Line No.	Title of Schedule	Page No.	Electric Utility, Licensee (a)	Natural Gas Company (b)
26	Transmission of Electricity By Others	43		
27	Monthly Peak Loads and Energy Output	44		
28	Monthly Transmission System Peak Load	45		

GENERAL INFORMATION

I. Purpose

This form is a regulatory support requirement under 18 CFR 141.400 and 18 CFR 260.300. It is designed to collect financial and operational informational from electric utilities, licensees, and natural gas companies subject to the jurisdiction of the Federal Energy Regulatory Commission. This report is also considered to be a non-confidential public use form.

II. Who Must File

(a) Each major and non-major electric utility and licensee as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees (18 CFR Part 101) subject to the provisions of the Federal Power Act, must submit the form.

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

(1) one million megawatt hours of total annual sales,
(2) 100 megawatt hours of annual sales for resale,
(3) 500 megawatt hours of annual power exchanges delivered, or
(4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

Non-major means having total annual sales of 10,000 megawatt-hours or more in the previous calendar year and not classified as Major.

(b) Each major and non-natural gas company as classified in the Commission's Uniform System of Accounts Prescribed for Natural Gas Companies (18 CFR Part 201) subject to the provisions of the Natural Gas Act, must submit the form.

III. What and Where to Submit

(a) Submit this form electronically through the Form 3-Q Submission Software. Retain one copy of this report for your files.

(b) Respondents may submit the Corporate Officer Certification electronically, or file an original signed Corporate Officer Certification certification to:

Chief Accountant
888 First Street N.E.
Washington, DC 20426

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GENERAL INFORMATION (continued)

IV. When to Submit

(a) Submit this report form according the filing dates contained in sections 18 CFR 141.400 and 18 CFR 260.300 of the Commission's regulations.

V. Where to Send Comments on Public Reporting Burden

(a) The public reporting burden for this collection of information is estimated to average 150 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 888 First Street, NE, Washington DC 20426 (Attention: Michael Miller, ED-30); and to the Office of Information and Regulatory Affairs, Office of the Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission.)

(b) You shall not be penalized for failure to respond to this collection of information unless the collection of information displays a valid OMB control number.

EXCERPTS FROM THE LAW AND GENERAL PENALTIES

Federal Power Act, 16 U.S.C. 791a-825r

"Sec. 3. The words defined in this section shall have the following meanings for the purposes of this Act, to wit: ... (3) "Corporation" means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include municipalities, as hereinafter defined;
(4) "Person" means an individual or corporation;
(5) "Licensee" means any person, State or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;
(7) "municipality" means a city, county, irrigation district, drainage district, or other political subdivision or agency of a state competent under the laws thereof to carry the business of developing, transmitting, unitizing, or distributing power; ..."
(11) "Project" means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, lands, or interest in the lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered:
(a) To make investigations and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to the assets and liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies."

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, and make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within they shall be filed..."

General Penalties

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information of document required by the Commission in the course of an investigation conducted under this Act ... shall forfeit to the United States an amount not exceeding $1,000 to be fixed by the Commission after notice and opportunity for hearing..."

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EXCERPTS FROM THE LAW AND GENERAL PENALTIES

Natural Gas Act, 15 U.S.C. 717-717w

"Sec. 10(a). Every natural-gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe the manner and form in which such reports shall be made and require from such natural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interest dues and paid, depreciation, amortization, and other reserves, cost of facilities, costs of maintenance and operation of facilities for the production, transportation, delivery, use, or sale of natural gas, costs of renewal and replacement of such facilities, transportation, delivery, use and sale of natural gas..."

"Section 16. The Commission shall have power to perform all and any acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and time within they shall be filed..."

General Penalties

"Sec. 21(b). Any person who willfully and knowingly violates any rule, regulation, restriction, condition, or order made or imposed by the Commission under authority of this act, shall, in addition to any other penalties provided by law, be punished upon conviction thereof by a fine of not exceeding $500 for each and every day during which such offense occurs."

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GENERAL INSTRUCTIONS

(a) Prepare this report in conformity with the Uniform Systems of Accounts, 18 CFR Parts 101 and 201. Interpret all accounting words and phrases in accordance with the Uniform Systems of Accounts.

(b) Complete each question fully and accurately, even if it has been answered in a previous quarterly report. Enter the word "None" where it truly and completely states the fact.

(c) Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions. The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.

(d) For any resubmissions, submit the electronic filing using the Form 3-Q Submission Software.

(e) Enter dollar amounts in whole numbers. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported in the positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

(f) Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

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Appendix B: Form 3-Q and 6-Q Samples

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) Or ____(G)	____ An Original ____A Resubmission	__Month/Day/Year	___Month/Day/Year

IDENTIFICATION

	Item
1	Exact Legal Name of Respondent _____
2	Previous Name and Date of Change (If name changed during the period) _____
3	Address of Principal Office at End of Period _____ _____
4	Name of Contact Person _____
5	Title of Contact Person _____
7	Address of Contact Person (Street, City, State, Zip Code) _____ _____
8	Telephone of Contact Person, (Including Area Code) _____

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Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or _____(G)	____ An Original ____ A Resubmission	__Month/Day/Year	____Month/Day/Year

QUARTERLY CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

Line No.	Name of Certifying Officer	Signature	Title	Date
1				

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

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Appendix B: Form 3-Q and 6-Q Samples

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ___(E) Or ___(G)	___ An Original ___ A Resubmission	Month/Day/Year	Month/Day /Year

IMPORTANT CHANGES DURING THE QUARTER

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquires. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.

2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of Commission authorizing the transaction, and reference to Commission authorization.

3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.

4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents and other condition. State name of Commission authorizing lease and give reference to such authorization.

5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to such arrangements, etc.

6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of the obligation or guarantee.

7. Changes in articles of incorporation or amendments to charter. Explain the nature and purpose of such changes or amendments.

8. State the estimated annual effect and nature of any important wage scale changes during the period.

9. State briefly the status of any materially important legal proceedings pending at the end of the period, and the results of any such proceedings culminated during the period.

10. Describe briefly any material important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported in the last Annual Report FERC Form 1, 1-F, 2 or 2-A, voting trustee, associated company or known associate of any of these persons was a party or in which such person had a material interest.

11. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.

12. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

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Appendix B: Form 3-Q and 6-Q Samples

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ (E)____ (G) ____	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

COMPARATIVE BALANCE SHEET

	ASSETS	Current Year End of Quarter Balance Month/Day/Year	Prior Year End Balance
1	**UTILITY PLANT**		
2	Utility Plant (101-106, 114)		
3	Construction Work in Progress (107)		
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)		
6	Net Utility Plant (Enter Total of line 4 less 5)		
7	Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1)		
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		
9	Nuclear Fuel Assemblies in Reactor (120.3)		
10	Spent Nuclear Fuel (120.4)		
11	Nuclear Fuel Under Capital Leases (120.6)		
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)		
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		
14	Net Utility Plant (Enter Total of lines 6 and 13)		
15	Utility Plant Adjustments (116)		
16	Gas Stored Underground - Noncurrent (117) Electric		
17	Gas Stored - Base Gas(117.1) GAS ACCOUNT		
18	System Balancing Gas (117.2) GAS ACCOUNT		
19	Gas Stored in Reservoirs and Pipelines Noncurrent (117.3) GAS		
20	Gas Owed to System Gas (117.4) GAS ACCOUNT		
21	**OTHER PROPERTY AND INVESTMENTS**		
22	Nonutility Property (121)		
23	(Less) Accum. Prov. for Depr. and Amort. (122)		
24	Investments in Associated Companies (123)		
25	Investment in Subsidiary Companies (123.1)		
26	(For Cost of Account 123.1, See Footnote Page 224, line 42)		
27	Noncurrent Portion of Allowances		
28	Other Investments (124)		
29	Sinking Funds (125)		
30	Depreciation Fund (126)		
31	Amortization Fund - Federal (127)		
32	Other Special Funds (128)		
33	Special Funds (129) Non-Major		
34	Long-Term Portion of Derivative Assets (175)		
35	Long-Term Portion of Derivative Assets - Hedges (176)		
36	TOTAL Other Property and Investments (Lines 22-25 and 27-35)		

Forms 1 and 2 will be revised consistent with this page

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Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or ___(G)	____ An Original ____A Resubmission	Month/Day/Year	_Month/Day/Year

COMPARATIVE BALANCE SHEET (continued)

	ASSETS	Current Year End of Quarter Balance Month/Day/Year	Prior Year End Balance
33	**CURRENT AND ACCRUED ASSETS**		
34	Cash and Working Funds (Non-major Only) (130)		
35	Cash (131)		
36	Special Deposits (132-134)		
37	Working Fund (135)		
38	Temporary Cash Investments (136)		
39	Notes Receivable (141)		
40	Other Accounts Receivable (143)		
41	(Less)Accum.Prov. For Uncollectible Accts.Cr (144)		
42	Notes Receivable from Associated Companies (145)		
43	Accounts Receivable from Assoc. Companies (146)		
44	Fuel Stock (151)		
45	Fuel Stock Expe nses Undistributed (152)		
46	Residuals (Elec) and Extracted Products (153)		
47	Plant Materials and Operating Supplies (154)		
48	Merchandise (155)		
49	Other Material and Supplies (156)		
50	Nuclear Materials held for Sale (157)		
51	Allowances (158.1 and 158.2)		
52	(Less) Noncurrent Portion of Allowances		
53	Stores Expenses Undistributed (163)		
54	Gas Stored Underground-Current (164.1)		
55	LNG Stored and Held for Processing (164.2-164.3)		
56	Prepayments (165)		
57	Advances for Gas (166-167)		
58	Interest and Dividends Receivable (171)		
59	Rents Receivable (172)		
60	Accrued Utility Revenues (173)		
61	Miscellaneous Current and Accrued Assets (174)		
62	Derivative Instrument Assets (175)		
63	(Less) Long-Term Portion of Derivative Instrument Assets (175)		
64	Derivative Instrument Assets - Hedges (176)		
65	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		
66	Total Current and Accrued Assets (Lines 34 through 65)		

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Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or _____(G)	___An Original ___A Resubmission	__Month/Day/Year	__Month/Day/Year

COMPARATIVE BALANCE SHEET (continued)

	ASSETS	Current Year End of Quarter Balance Month/Day/Year	Prior Year End Balance
67	DEFERRED DEBITS		
68	Unamortized Debt Expenses (181)		
69	Extraordinary Property Losses (182.1)		
70	Unrecovered Plant and Regulatory Study Costs (182.2)		
71	Other Regulatory Assets (182.3)		
72	Preliminary Survey and Investigation Charges (183)		
73	Preliminary Natural Gas Survey and Investigation Charges (183.1)		
74	Other Preliminary Survey and Investigation Charges (183.2)		
75	Clearing Accounts (184)		
76	Temporary Facilities (185)		
77	Miscellaneous Deferred Debits (186)		
78	Deferred Losses from Disposition of Utility Plant (187)		
79	Research, Development and Demonstration Expenditures (188)		
80	Unamortized Loss on Reacquired Debt (189)		
81	Accumulated Deferred Income Taxes (190)		
82	Unrecovered Purchase Gas Costs (191)		
83	Total Deferred Debits (lines 68 through 82)		
84	TOTAL ASSETS (lines 15-20, 36, 66, and 83)		

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Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
___(E) or ___(G)	___ An Original ___ A Resubmission	Month/Day/Year	Month/Day/Year

COMPARATIVE BALANCE SHEET (continued)

	LIABILITIES AND SHAREHOLDER EQUITY	Current Year End of Quarter Balance Month/Day/Year	Prior Year End Balance
1	PROPRIETARY CAPITAL		
2	Common Stock Issued (201)		
3	Preferred Stock Issued (204)		
4	Capital Stocked Subscribed (202,205)		
5	Stock Liability for Conversion (203,206)		
6	Premium on Capital Stock (207)		
7	Other Paid-In Capital (208-211)		
8	Installments Received on Capital Stock (212)		
9	(Less) Discount on Capital Stock (213)		
10	(Less) Capital Stock Expense (214)		
11	Retained Earnings (215, 215.1, 216)		
12	Unappropriated Undistributed Subsidiary Earnings (216.1)		
13	(Less) Reacquired Capital Stock (217)		
14	Noncorporate Proprietorship (Non-major only) (218)		
15	Accumulated Other Comprehensive Income (219)		
16	Total Proprietary Capital (lines 2 through 15)		
17	LONG-TERM DEBT		
18	Bonds (221)		
19	(Less) Reacquired Bonds (222)		
20	Advances from Associated Companies (223)		
21	Other Long-term Debt (224)		
22	Unamortized Premium on Long-Term Debt (225)		
23	(Less) Unamortized Discount on Long-Term Debt (226)		
24	(Less) Current Portion of Long-Term Debt		
25	Total Long-Term Debt (lines 18 through 24)		
26	OTHER NONCURRENT LIABILITIES		
27	Obligations Under Capital Leases - Noncurrent (227)		
28	Accum. Prov. for Property Insurance (228.1)		
29	Accum. Prov. for Injuries and Damages (228.2)		
30	Accum. Prov. for Pensions and Benefits (228.3)		
31	Accum. Miscellaneous Operating Provisions (228.4)		
32	Accumulated Provision for Rate Refunds (229)		
33	Long-Term Portion of Derivative Instrument Liabilities		
34	Long-Term Portion of Derivative Instrument Liabilities - Hedges		
35	Asset Retirement Obligations (230)		
36	Total Other Noncurrent Liabilities (lines 27 through 35)		

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Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or ____(G)	_____An Original _____A Resubmission	__Month/Day/Year	__Month/Day/Year

COMPARATIVE BALANCE SHEET (continued)

	LIABILITIES AND SHAREHOLDER EQUITY	Current Year End of Quarter Balance Month/Day/Year	Prior Year End Balance Month/Day/Year
37	CURRENT AND ACCRUED LIABILITIES		
38	Current Portion of Long-Term Debt		
39	Notes Payable (231)		
40	Accounts Payable (232)		
41	Notes Payable to Associated Companies (233)		
42	Accounts Payable to Associated Companies (234)		
43	Customer Deposits (235)		
44	Taxes Accrued (236)		
45	Interest Accrued (237)		
46	Dividends Declared (238)		
47	Matured Long-Term Debt (239)		
48	Matured Interest (240)		
49	Tax Collections Payable (241)		
50	Miscellaneous Current and Accrued Liabilities (242)		
51	Obligations under Capital Leases - Current (243)		
52	Derivative Instrument Liabilities (244)		
53	(Less) Long-Term Portion of Derivative Instrument Liabilities		
54	Derivative Instrument Liabilities - Hedges (245)		
55	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		
56	Total Current and Accrued Liabilities (lines 38 through 55)		
57	DEFERRED CREDITS		
58	Customer Advances for Construction (252)		
59	Accumulated Deferred Investment Tax Credits (255)		
60	Deferred Gains from Disposition of Utility Plant (256)		
61	Other Deferred Credits (253)		
62	Other Regulatory Liabilities (254)		
63	Unamortized Gain on Reacquired Debt (257)		
64	Accum. Deferred Income Taxes-Accel. Amort.(281)		
65	Accum. Deferred Income Taxes-Other Property (282)		
66	Accum. Deferred Income Taxes-Other (283)		
67	Total Deferred Credits (lines 58 through 66)		
68	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16,25,36,56 and 67)		

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Name of Respondent	This Report is:	Date of Report	For the Quarter/Year Ending
_____	____An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF INCOME AND RETAINED EARNINGS

1. Enter in column (b) the balance for the reporting quarter and in column (c) the balance for the same three month period for the prior year.
2. Enter in column (d) the year to date balance for the year, and in column (e) the year to date balance for the same period of the prior year.
3. Report in column (f) the quarter to date amounts for electric utility function; in column (g) the quarter to date amounts for gas utility, and in (h) the quarter to date amounts for other utility function.

Line No.	(a)	Current Year to Date Balance (Month/Day/Year) (b)	Prior Year to Date Balance (Month/Day/Year) (e)
1	UTILITY OPERATING INCOME		
2	Operating Revenues (400)		
3	OPERATING EXPENSES		
4	Operating Expenses (401)		
5	Maintenance Expense (402)		
6	Depreciation Expense (403)		
7	Depreciation of Asset Retirement Costs (403.1)		
8	Amortization and Depletion of Plant (404-405)		
9	Amortization of Utility Plant Acq. Adj. (406)		
10	Amortization of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		
11	Amort. of Conversion Expenses (407.2)		
12	Regulatory Debits (407.3)		
13	(Less) Regulatory Credits (407.4)		
14	Taxes Other Than Income Taxes (408.1)		
15	Income Taxes-Federal (409.1)		
16	Income Taxes-Other (409.1)		
17	Prov. for Def. Income Taxes (410.1)		
18	(Less) Def. Income Taxes-Cr.(411.1)		
19	ITC Adjustment - Net (411.4)		
20	(Less) Gains From Disposition of Utility Plant (411.6)		
21	Losses From Disposition of Utility Plant (411.7)		
22	(Less) Gains From Disposition of Allowances (411.8)		
23	Losses From Disposition of Allowances (411.9)		
24	Accretion Expense (411.10)		
25	Net Utility Operating Income (Lines 2 through 24)		

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STATEMENT OF INCOME AND RETAINED EARNINGS (Continued)

Line No.	Current Three Months Ended (Month/Day/Year) (d)	Prior Three Months Ended (Month/Day/Year) (e)	ELECTRIC FUNCTION (Month/Day/Year) (f)	GAS FUNCTION (Month/Day/Year) (g)	OTHER FUNCTION (Month/Day/Year) (h)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
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Appendix B Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF INCOME AND RETAINED EARNINGS (continued)

	(a)	Current Year to Date Balance (Month/Day/Year) (b)	Prior Year to Date Balance (Month/Day/Year) (b)	Current Three Months Ended (Month/Day/Year) (b)	Prior Three Months Ended (Month/Day/Year) (c)
26	Net Utility Operating Income				
27	**OTHER INCOME AND DEDUCTIONS**				
28	**OTHER INCOME**				
29	**NONUTILITY OPERATING INCOME**				
30	Revenues From Merchandising, Jobbing & Contract Work (415)				
31	(Less) Expenses of Merchandising, Jobbing & Contract Work (416)				
32	Revenues From Nonutility Operations (417)				
33	(Less) Expenses of Nonutility Operations (417.1)				
34	Nonoperating Rental Income (418)				
35	Equity in Earnings of Subsidiaries (418.1)				
36	Interest and Dividend Income (419)				
37	AFUDC (419.1)				
38	Misc. Nonoperating Income (421)				
39	Gain on Disposition of Property (421.1)				
40	Total Other Income (Enter Total lines of 32-41)				
41	**OTHER INCOME DEDUCTIONS**				
42	Loss on Disposition of Property (421.2)				
43	Miscellaneous Amortization (425)				
44	Donations (426.1)				
45	Life Insurance (426.2)				
46	Penalties (426.3)				
47	Expenditures for Certain Civic, Political and Related Activities (426.4)				
48	Other Deductions (426.5)				
49	Total Other Income Deductions (lines 44 through 50)				

Forms 1 and 2 will be revised consistent with this page.

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Appendix B Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or _____(G)	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF INCOME AND RETAINED EARNINGS (continued)

	(a)	Current Year to Date Balance (Month/Day/Year) (b)	Prior Year to Date Balance (Month/Day/Year) (b)	Current Three Months Ended (Month/Day/Year) (b)	Prior Three Months Ended (Month/Day/Year) (c)
50	**TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS**				
51	Taxes Other than Income Taxes (408.2)				
52	Income Taxes - Federal (409.2)				
53	Income Taxes - Other (409.2)				
54	Provision for Deferred Income Taxes (410.2)				
55	(Less) Provision for Deferred Income Taxes-Cr. (411.2)				
56	Investment Tax Credit Adjustment -Net (411.5)				
57	Investment Tax Credits (420)				
58	Total Taxes on Other Income and Deductions (Lines 53 through 59)				
59	Net Other Income and Deductions (total lines 42,51 and 60)				
60	**INTEREST CHARGES**				
61	Interest on Long-Term Debt (427)				
62	Amortization of Debt Discount and Expenses(428)				
63	Amortization of Loss on Reacquired Debt (428.1)				
64	(Less) Amortization of Premium on Debt-Credit (429)				
65	(Less) Amortization of Gain on Reacquired Debt(429.1)				
66	Interest on Debt to Associated Companies (430)				
67	Other Interest Expense (431)				
68	Allowance for Borrowed Funds Used During Construction-Cr. (432)				
69	Net Interest Charges (Lines 63 through 70)				
70	Income Before Extraordinary Items (lines 28, 59, and 69)				

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Appendix B Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or _____(G)	____An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF INCOME AND RETAINED EARNINGS (continued)

	Item (a)	Current Year to Date Balance (Month/Day/Year) (b)	Prior Year to Date Balance (Month/Day/Year) (b)	Current Three Months Ended (Month/Day/Year) (d)	Prior Three Months Ended (Month/Day/Year) (e)
71	**EXTRAORDINARY ITEMS**				
72	Extraordinary Income (434)				
73	(Less) Extraordinary Deductions (435)				
74	Net Extraordinary Items (Line 75 less 76)				
75	Income Taxes -Federal and other (409.3)				
76	Extraordinary Items After Tax (Line 77 less 78)				
77	NET INCOME (line 72 and 79)				
78					
79	**RETAINED EARNINGS**				
80	UNAPPROPRIATED RETAINED EARNINGS				
81	Balance-Beginning of Year				
82	Adjustments to Retained Earnings (Account 439)				
83	Balance Transferred from Income (Account 433 less Account 418.1)				
84	Appropriations of Retained Earnings (Account 436)				
85	Total Appropriations of Retained Earnings (Account 436) (Footnote Details)				
86	TOTAL Dividends Declared-Preferred Stock (Account 437) (Footnote Details)				
87	TOTAL Dividends Declared-Common Stock (Account 438) (Footnote Details)				
88	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings				
89	Balance - End of Year (Total lines 81 through 88)				
90	Appropriated Retained Earnings (Account 215)				
91	TOTAL Appropriated Retained Earnings (Account 215) (Footnote Details)				
92	Appropriated Retained Earnings-Amortization Reserve, Federal (Acct. 215.1)				
93	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)				
94	TOTAL Appropriated Retained Earnings (Account 215, 215.1) (Total 91 and 93)				
95	TOTAL Retained Earnings (Account 215, 215.1, 216) (Total 89 and 94)				

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Appendix B Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original		
_____(E) or _____(G)	____A Resubmission	__Month/Day/Year	__Month/Day/Year

STATEMENT OF CASH FLOWS

(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 25) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

	Description (See Instruction for Explanation of Codes). (a)	Current Year to Date Month/Day/Year (b)	Prior Year to Date Month/Day/Year (c)
1	**CASH FLOW FROM OPERATING ACTIVITIES:**		
2	Net Income		
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion		
5	Amortization of (Provide details in footnote)		
6	Deferred Income Taxes (Net)		
7	Investment Tax Credit Adjustment (Net)		
8	Net (Increase) Decrease in Receivables		
9	Net (Increase) Decrease Inventory		
10	Net (Increase) Decrease Allowances Inventory		
11	Net Increase (Decrease) Payables and Accrued Expenses		
12	Net (Increase) Decrease Other Regulatory Assets		
13	Net Increase (Decrease) Other Regulatory Liabilities		
14	(Less) Allowance for Other Funds Used During Construction		
15	(Less) Undistributed Earnings from Subsidiary Companies		
16	Other: (Provide details in footnote)		
17	Net Cash Provided by (Used in) Operating Activities (Total 2 through 16)		

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or _____(G)	____ An Original ____A Resubmission	__Month/Day/Year	__Month/Day/Year

STATEMENT OF CASH FLOWS (continued)

	Description (See Instruction for Explanation of Codes). (a)	Current Year to Date Month/Day/Year (b)	Prior Year to Date Month/Day/Year (c)
18	CASH FLOW FROM INVESTMENT ACTIVITIES		
19	Construction and Acquisition of Plant (including land):		
20	Gross Additions to Utility Plant (less nuclear fuel)		
21	Gross Additions to Nuclear Fuel		
22	Gross Additions to Common Utility Plant		
23	Gross Additions to Non utility Plant		
24	(Less) Allowance for Other Funds Used During Construction		
25	Other: (provide details in footnote)		
26	Cash Outflows for Plant (Total of Lines 20 through 25)		
27	Acquisition of Other Noncurrent Assets (d)		
28	Proceeds from Disposal of Noncurrent Assets (d)		
29	Investments in and Advances to Associated and Subsidiary Companies		
30	Contributions and Advances from Associated and Subsidiary Companies		
31	Disposition of Investments in (and advances to) Associated and Subsidiary Companies		
32	Purchase of Investment Securities (a)		
33	Proceeds from Sales of Investment Securities (a)		
34	Loans Made or Purchased		
35	Collections on Loans		
36	Net (Increase) Decrease in Receivables		
37	Net (Increase) Decrease in Inventory		
38	Net (Increase) Decrease in Allowances Held for Speculation		
39	Net Increase (Increase) in Payables and Accrued Expense		
40	Other: (provide details in footnote)		
41	Net Cash Provided by (Used in) Investing Activities (lines 26 through 40)		

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E)_____(G)	____ An Original ____A Resubmission	__Month/Day/Year	__Month/Day/Year

STATEMENT OF CASH FLOWS (continued)

	(a)	Current Year to Date __Month/Day/Year (b)	Prior Year to Date __Month/Day/Year (c)
42	**CASH FLOWS FROM FINANCING ACTIVITIES:**		
43	**Proceeds From Issuance of:**		
44	Long-Term Debt (b)		
45	Preferred Stock		
46	Common Stock		
47	Other: (provide details in footnote)		
48	Capital Contributions from Partners		
49	Net Increase in Short-Term Debt (c)		
50	Other: (provide details in footnote)		
51	Cash Provided by Outside Sources (lines 43 - 50)		
52	**Payments for Retirement of:**		
53	Long-Term Debt (b)		
54	Preferred Stock		
55	Common Stock		
56	Other: (provide details in footnote)		
57	Net Decrease in Short-Term Debt (c)		
58	Dividends on Preferred Stock		
59	Dividends on Common Stock		
60	Net Cash Provided by (Used in) Financing Activities (lines 51 through 59)		
61	NET (INCREASE) DECREASE IN CASH AND CASH EQUIVALENTS (lines 17, 41, and 60)		
62	CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		
63	CASH AND CASH EQUIVALENTS AT END OF PERIOD		

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original		
_____(E) or _____(G)	____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.

2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.

3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Quarter				
2	Preceding Quarter Reclassification from Account 219 to Net Income				
3	Preceding Quarter Changes in Fair Value				
4	Total (lines 2 and 3)				
5	Balance of Account 219 at End of Preceding Quarter/ Beginning of Current Quarter.				
6	Current Quarter Reclassification From Account 219 to Net Income				
7	Current Quarter Changes in Fair Value				
8	Total (lines 6 and 7)				
9	Balance of Account 219 at End of Current Quarter				

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) _____(G)	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME AND HEDGING ACTIVITIES (continued)

	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Insert Category] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 72) (i)	Total Comprehensive Income (j)
1					
2					
3					
4					
5					
6					
7					
8					
9					

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or ____(G)	____ An Original ____A Resubmission	__Month/Day/Year	__Month/Day/Year

NOTES TO FINANCIAL STATEMENTS

(1) Respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.

(2) Disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.

(3) Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or ____(G)	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Report in column (b) the total amount for the item shown in column (a). Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e) other (specify), and in column (f) common function.

	Classification	TOTAL COMPANY For the Quarter Ended Month/Day/Year (b)
1	**UTILITY PLANT**	
2	**In Service**	
3	Plant in Service (Classified)	
4	Property Under Capital Lease	
5	Plant Purchased or Sold	
6	Completed Construction Not Classified	
7	Experimental Plant Unclassified	
8	TOTAL Utility Plant (lines 3 through 7)	
9	Leased to Others	
10	Held for Future Use	
11	Construction Work in Progress	
12	Acquisition Adjustments	
13	TOTAL Utility Plant (lines 8 through 12)	
14	Accum. Prov. for Depreciation, Amortization & Depletion	
15	Net Utility Plant (Lines 13 and 14)	
16	**DETAIL OF ACCUM. PROV. FOR DEPRECIATION, AMORT. AND DEPLETION**	
17	**IN SERVICE**	
18	Depreciation	
19	Amort. and Depl. of Producing Natural Gas Land, Rights	
20	Amort. of Underground Storage Land and Land Rights	
21	Amortization of Other Utility Plant	
22	TOTAL IN SERVICE (lines 18 through 21)	
23	**Leased to Others**	
24	Depreciation	
25	Amortization and Depletion	
26	TOTAL Leased to Others (lines 24 and 25)	
27	**Held for Future Use**	
28	Depreciation	
29	Amortization	
30	TOTAL Held for Future Use (lines 28 and 29)	
31	Abandonment of leases (Natural Gas)	
32	Amortization of Plant Acquisition Adjustment	
33	TOTAL Accum. Provision (lines 22, 26, 30, 31, and 32)	

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or _____(G)	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION (page 2)

Report in column (b) the total amount for the item shown in column (a). Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e) other (specify), and in column (f) common function.

	ELECTRIC For the Quarter Ended Month/Day/Year (c)	GAS For the Quarter Ended Month/Day/Year (d)	OTHER For the Quarter Ended Month/Day/Year (e)	COMMON For the Quarter Ended Month/Day/Year (f)
1				
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3				
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33				

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Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or _____(G)	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

PLANT IN SERVICE AND ACCUMULATED PROVISION FOR DEPRECIATION BY FUNCTION

1. Report below the original cost of plant in service by function. In addition to Account 101, include Account 102, and Account 106. Report in column (b) the original cost of plant in service and in column(c) the accumulated provision for depreciation and Amortization by function.

	Function (a)	Plant in Service Balance at Month/Day/Year (b)	Accum. Depreciation And Amortization Balance at Month/Day/Year (c)
1	**Part A: Balances Period to Date for Electric Plant In Service**		
2	Intangible Plant		
2	Steam Production		
3	Nuclear Production		
4	Hydraulic Production - Conventional		
5	Hydraulic Production - Pumped Storage		
6	Other Production		
7	Transmission		
8	Distribution		
9	General		
10	Total (lines 2 through 9)		
11	**Part B: BALANCES AT PERIOD TO DATE GAS FOR NATURAL GAS**		
15	Intangible Plant		
12	Productions-Manufactured Gas		
13	Production and Gathering - Natural Gas		
14	Products Extraction - Natural Gas		
15	Underground Gas Storage		
16	Other Storage Plant		
17	Base Load LNG Terminaling and Processing Plant		
18	Transmission		
19	Distribution		
20	General		
21	Total (lines 12 through 20)		

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Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ (E)	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

PUBLIC UTILITY AND LICENSEES - ELECTRIC REVENUES AND MEGAWATT HOURS

1. Report below column (b) electric operating revenues for each prescribed account at end of quarter.
2. In column (c) report Megawatt hour sales through the end of quarter.

Line No.	Item (a)	Operating Revenues Year to Date (b)	Megawatt Hour Sales Year to Date (c)
1	SALES OF ELECTRICITY		
2	(440) Residential Sales		
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)		
5	Large (or Industrial)		
6	(444) Public Street and Highway Lighting		
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	Total Sales to Ultimate Customers (lines 2 through 9)		
11	(447) Sales for Resale		
12	Total Sales of Electricity (lines 10 and 11)		
13	(Less) (449.1) Provision for Rate Refunds		
14	Total Revenues Net of Provision for Refunds (lines 12 and 13)		
15	OTHER OPERATING REVENUES		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues		
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property		
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues		
22	Total Other Operating Revenues (line 16 through 21)		
23	Total Electric Operating Revenues(line 14 and 22)		

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Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(G)	____ An Original ____A Resubmission	__Month/Day/Year	__Month/Day/Year

NATURAL GAS COMPANY- GAS REVENUES AND DEKATHERMS

1. Report below in column (b) natural gas operating revenues for each prescribed account year to date.
2. In column (c) report the quantity of Dekatherms sold of natural gas year to date.

	(a)	Operating Revenues Year to Date (b)	Dekatherms of Natural Gas Year to Date (c)
1	**SALES**		
2	(480) Residential Sales		
3	(481) Commercial and Industrial Sales		
4	(482) Other Sales to Public Authorities		
5	(483) Sales for Resale		
6	(484) Interdepartmental Sales		
7	Total Sales (Lines 2 through 6)		
8	(485) Intra Company Transfers		
9	(487) Forfeited Discounts		
10	(488) Miscellaneous Service Revenues		
11	(489.1) Revenues From Transportation of Gas of Others Through Gathering Facilities		
12	(489.2) Revenues From Transportation of Gas of Others Through Transmission Facilities		
13	(489.3) Revenues From Transportation of Gas of Others Through Distribution Facilities		
14	(489.4) Revenues From Storing Gas of Others		
15	(490) Sales of Products Extracted From Natural Gas		
16	(491) Revenues From Natural Gas Processed By Others		
17	(492) Incidental Gasoline and Oil Sales		
18	(493) Rent From Gas Property		
19	(494) Interdepartmental Rents		
20	(495) Other Gas Revenues		
21	Subtotal (lines 7 through 20)		
22	(Less) (496) Provision for Rate Refunds		
23	TOTAL (Lines 21 and 22)		

Form 2 will be revised for consistency.

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ (E) _____ (G)	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

DEPRECIATION, DEPLETION, AND AMORTIZATION OF UTILITY PLANT

1. Report the year to date amounts of depreciation expense, asset retirement cost depreciation, depletion and amortization, except amortization of acquisition adjustments for the accounts indicated and classified according to the plant functional groups described.

	Functional Classification (a)	Depreciation Expense (403) (b)	ARO Depreciation (403.1) (c)	Amort. Charges (404) (d)	Amort. Charges (405) (e)	Total (e)
1	**Section A: ELECTRIC**					
2	Intangible Plant					
3	Steam Production Plant					
4	Nuclear Production Plant					
5	Hydraulic Production Plant Conv					
6	Hydraulic Production Plant - Pumped Storage					
7	Other Production Plant					
8	Transmission Plant					
9	Distribution Plant					
10	General Plant					
11	Common Plant					
12	TOTAL ELECTRIC (lines 2 through 11)					
13	**Section B: NATURAL GAS**					
14	Intangible Plant					
15	Production Plant, Manufacturing Plant					
16	Production and Gathering Plant, NG					
17	Products Extraction Plant					
18	Underground Gas Storage Plant					
19	Other Storage Plant					
20	Base Load LNG Terminaling and Processing Plant					
21	Transmission Plant					
22	Distribution Plant					
23	General Plant					
24	Common Plant					
25	TOTAL GAS (lines 14 through 24)					

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or ____(G)	____ An Original ____A Resubmission	__Month/Day/Year	__Month/Day/Year

ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES

Report Electric production, other power supply expenses, transmission and distribution expenses through the reporting period.

		Year to Date Month/Day/Year
1	**1.POWER PRODUCTION AND OTHER SUPPLY EXPENSES**	
2	Steam Power Generation - Operation (500-509)	
3	Steam Power Generation - Maintenance (510-515)	
4	Total Power Production Expenses - Steam Power	
5	Nuclear Power Generation - Operation (517-525)	
6	Nuclear Power Generation - Maintenance(528-532)	
7	Total Power Production Expenses - Nuclear Power	
8	Hydraulic Power Generation - Operation (535-540.1)	
9	Hydraulic Power Generation - Maintenance(541-545.1)	
10	Total Power Production Expenses - Hydraulic Power	
11	Other Power Generation-Operation (546-550.1)	
12	Other Power Generation-Maintenance(551-554.1)	
13	Total Power Production Expenses - Other Power	
14	**Other Power Supply Expenses**	
15	Purchased Power (555)	
16	System Control and Load Dispatching (556)	
17	Other Expenses (557)	
18	Total Other Power Supply Expenses (line 15-17)	
19	Total Power Production Expenses (Total of lines 4, 7, 10, 13 and 18	
20	**2. TRANSMISSION AND DISTRIBUTION EXPENSES**	
21	**Transmission Operation Expenses**	
22	(560) Operation Supervision and Engineering	
23	(561) Load Dispatching	
24	(562) Station Expenses	
25	(563) Overhead Line Expenses	
26	(564) Underground Line Expenses	
27	(565) Transmission of Electricity by Others	
28	(566) Miscellaneous Transmission Expenses	
29	(567) Rents	
30	(567.1) Operation Supplies and Expenses (Non-Major)	
31	TOTAL Transmission Operation Expenses (Lines 22- 30)	

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or ____(G)	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

ELECTRIC PRODUCTION, OTHER POWER SUPPLY EXPENSES, TRANSMISSION AND DISTRIBUTION EXPENSES (Continued)

32	(568) Maintenance Supervision and Engineering	
33	(569) Maintenance of Structures	
34	(570) Maintenance of Station Equipment	
35	(571) Maintenance Overhead Lines	
36	(572) Maintenance of Underground Lines	
37	(573) Maintenance of Miscellaneous Transmission Plant	
38	(574) Maintenance of Transmission Plant	
39	Total Transmission Maintenance Expenses (Total Trans. Maintenance Expense Lines 32 -38)	
40	Total Transmission Expenses (Lines 31-39)	
41	**DISTRIBUTION EXPENSES**	
42	Distribution Operation Expenses (580-589)	
43	Distribution Maintenance Expenses (590-598)	
44	Total Distribution Expenses (Lines 42 and 43)	
45	TOTAL	

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ _____(E) or ____(G)	____ An Original ____ A Resubmission	_Month/Day/Year	Month/Day/Year

GAS PRODUCTION AND OTHER GAS SUPPLY EXPENSES

Report the amount of gas production and other gas supply expenses year to date.

		Year to Date
1	**PRODUCTION EXPENSES**	
2	**Manufactured Gas Production**	
5	Total Manufactured Gas Production (700-742)	
6	**Natural Gas Production and Gathering**	
7	(750-760) Operation	
8	(761-769) Maintenance	
9	Total Natural Gas Production and Gathering (lines 7 and 8)	
10	**Production Extraction**	
11	(770-783) Operation	
12	(784-791) Maintenance	
13	Total Production Extraction (lines 9 and 10)	
14	(795-798) Exploration and Development Expenses	
15	**Other Gas Supply Expenses**	
16	**Operation**	
17	(800) Natural Gas Well Head Purchases	
18	(800.1) Natural Gas Well Head Purchases, Intra company Transfers	
19	(801) Natural Gas Field Line Purchases	
20	(802) Natural Gasoline Plant Outlet Purchases	
21	(803) Natural Gas Transmission Line Purchases	
22	(804) Natural Gas City Gate Purchases	
23	(804.1) Liquefied Natural Gas Purchases	
24	(805) Other Gas Purchases	
25	(805.1)(Less) Purchase Gas Cost Adjustments	
26	Total Purchased Gas (lines 17 through 25)	
27	(806) Exchange Gas	
28	**Purchased Gas Expenses**	
29	(807.1) Well Expense - Purchased Gas	
30	(807.2) Operation of Purchased Gas Measuring Stations	
31	(807.3) Maintenance of Purchased Gas Measuring Stations	
32	(807.4) Purchased Gas Calculations Expenses	
33	(807.5) Other Purchased Gas Expenses	
34	Total Purchased Gas Expenses	
35	(808.1) Gas Withdrawn From Storage-Debt	
36	(808.2)(Less) Gas Delivered to Storage - Credit	
37	(809.1) Withdrawals of Liquefied Natural Gas for Processing - Debt	
38	(809.2)(Less) Deliveries of Natural Gas Processing - Credit	
39	**Gas Used in Utility Operation-Credit**	
40	(810) Gas Used for Compressor Station Fuel - Credit	
41	(811) Gas Used for Products Extraction - Credit	
42	(812) Gas Used for Other Utility Operations - Credit	
43	Total Gas Used in Utility Operations - Credit	
44	(813) Other Gas Supply Expenses	
45	Total Other Gas Supply Expenses	
46	Total Production Expenses	

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
____(G)	____ An Original ____A Resubmission	__Month/Day/Year	_Month/Day/Year

NATURAL GAS STORAGE, TERMINALING, PROCESSING EXPENSES

Report the amount of natural gas storage, terminaling, processing, transmission and distribution expenses year to date.

		Year to Date Month/Day/Year
1	NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES	
2	UNDERGROUND STORAGE EXPENSES	
3	(814-826) Operations	
4	(830-837) Maintenance	
5	Total Underground Storage Expenses (lines 3 and 4)	
6	OTHER STORAGE EXPENSES	
7	(840-842.3) Operations	
8	(843.1-843.9) Maintenance	
9	Total Other Storage Expenses (lines 6 and 7)	
10	LIQUEFIED NATURAL GAS TERMINALING AND PROCESSING	
11	(844.1-846.2) Operations	
12	(847.1-847.8) Maintenance	
13	Total Liquified Natural Gas Terminaling and Processing (Lines 11 and 12)	
14	TRANSMISSION EXPENSES	
15	Transmission Operation Expenses	
16	(850) Operation Supervision and Engineering	
17	(851) System Control and Load Dispatching	
18	(852) Communication System Expenses	
19	(853) Compressor Station Labor and Expenses	
20	(854) Gas for Compressor Station Fuel	
21	(855) Other Fuel and Power for Compressor Stations	
22	(856) Mains Expenses	
23	(857) Measuring and Regulating Station Expenses	
24	(858) Transmission and Compression of Gas by Others	
25	(859) Other Expenses	
26	(860) Rents	
27	Total Transmission Operation Expenses	
28	Transmission Maintenance Expenses	
29	(861) Maintenance Supervision and Engineering	
30	(862) Maintenance of Structures and Improvements	
31	(863) Maintenance of Mains	
32	(864) Maintenance of Compressor Station Equipment	
33	(865) Maintenance of Measuring and Regulating Station Equipment	
34	(866) Maintenance of Communication Equipment	
35	(867) Maintenance of Other Equipment	
36	Total Transmission Maintenance Expenses	
37	Total Transmission Expenses (lines 27 and 36)	
38	DISTRIBUTION EXPENSES	
39	(871-881)Operation Expenses	
40	(885-894)Maintenance	
41	Total Distribution Expenses (lines 39 and 40)	
42	Total (lines 5, 9, 13, 37 and 41)	

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original		
____(E) or ____(G)	____A Resubmission	__Month/Day/Year	Month/Day/Year

CUSTOMER ACCOUNTS, SERVICE, SALES, ADMINISTRATIVE AND GENERAL EXPENSES

Report the amount of expenses for customer accounts, service, sales, and administrative and general expenses year to date.

		Year to Date Month/Day/Year
1	(901-905) CUSTOMER ACCOUNTS EXPENSE	
2	(907-910) CUSTOMER SERVICE AND INFORMATIONAL EXPENSES	
3	(911-917) SALES EXPENSES	
4	**ADMINISTRATIVE AND GENERAL EXPENSES**	
5	**Operations**	
6	(920) Administrative and General Expenses	
7	(921) Office Supplies and Expenses	
8	(Less) (922) Administrative Expenses Transferred - Credit	
9	(923) Outside Services Employed	
10	(924) Property Insurance	
11	(925) Injuries and Damages	
12	(926) Employee Pensions and Benefits	
13	(927) Franchise Requirements	
14	(928) Regulatory Commission Expenses	
15	(929) (Less) Duplicate Charges - Credit	
16	(930.1) General Advertising Expenses	
17	(930.2) Miscellaneous General Expenses	
18	(931) Rents	
19	Total Adm. and General Operation Expenses (lines 6 through 18)	
20	**Maintenance**	
21	(935) Maintenance of General Plant	
22	Total Administrative and General Expenses (lines 19 and 21)	

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ (E) _____ (G)	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.

2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than $50,000 which ever is less), may be grouped by classes.

	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter (b)	Debits (c)	Written Off During Quarter Account Charged (d)	Written Off During Period Amount (e)	Balance at End of Current Quarter (f)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24	Total					

Annual Form 1 will be revised for consistency.

Docket No. RM03-8-000
Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or _____(G)	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.

2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $50,000 which ever is less), may be grouped by classes.

	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Quarter (b)	Debits Account Credited (c)	Debits Amount (d)	Credits (e)	Balance End of Quarter Month/Day/Year (f)
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24	Total					

Annual Forms 1 will be revised for consistency.

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or _____(G)	____ An Original ____A Resubmission	__Month/Day/Year	Month/Day/Year

TRANSMISSION OF ELECTRICITY FOR OTHERS (ACCOUNT 456)

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers. Report quarterly data year to date.

2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).

3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c).

4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. **See General Instruction for definitions of codes.**

	Payment By Company or Public Authority Footnote Affiliation (a)	Energy Received From Company or Public Authority Footnote Affiliation (b)	Energy Delivered To Company or Public Authority Footnote Affiliation (c)	Statis. Class. (d)	FERC Rate Schedule or Tariff No. (e)	Point of Receipt Substation or Other Designation (f)	Point of Delivery Substation or Other Designation (g)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original		
____(E) or _____(G)	____A Resubmission	___Month/Day/Year	Month/Day/Year

TRANSMISSION OF ELECTRICITY FOR OTHERS (ACCOUNT 456) (continued)

5. In column (e), identify the FERC rate schedule or Tariff Number. On separate lines, list all FERC rate schedules or contracts designations under which service, as identified in column (d), is provided.

6. Report receipt and delivery locations for all single contract paths, "point-to-point" transmission service. In column (f) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.

7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated in megawatts basis and explain.

8. Report in column (i) and (j) the total megawatt hours received and delivered.

9. In column (k) through (n) report the revenue amounts as shown on bills or vouchers. In column (k) provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity listed in column (a). If no monetary settlement was made, enter zero in column (n). Provide a footnote explaining the nature of the non-monitory settlement, including the amount and type of energy or service rendered.

10. Provide total amounts in column (i) through (n) as the last line.

11. Footnote entries and provide explanations following all required data.

Line No.	Billing Demand (MWH) (h)	MWH Received (i)	MWH Delivered (j)	Demand Charges ($) (k)	Energy Charges ($) (l)	Other Charges ($) (m)	Total Revenue ($) (n)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or _____(G)	____ An Original ____A Resubmission	___Month/Day/Year	Month/Day/Year

TRANSMISSION OF ELECTRICITY BY OTHERS (ACCOUNT 565)

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others on a year to date basis for the quarter reported.

2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate mane or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service through the quarter reported.

3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self. LFP - Long-Term Firm Point-to-Point Transmission Reservations. SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - other transmission service. See General Instructions for definitions of statistical classifications.

4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.

5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

6. Enter "TOTAL" in column (a) as the last line.

7. Footnote entries and provide explanations following all required data.

	Name of Company or Public Authority Footnote Affiliations (a)	Stat. Class (b)	Megawatt hours Received (c)	Megawatt hours Delivered (d)	Demand Charges (e)	Energy Charges (f)	Other Charges (g)	Total (h)
1								
2								
3								
4								
5								
6								
7								
8								

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ____(E) or _____(G)	____ An Original ____A Resubmission	__Month/Day/Year	Month/Day/Year

MONTHLY PEAK LOADS AND ENERGY OUTPUT

(1) Report the monthly peak load and energy output. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.

(2) Report on line 2 by month the system's output in Megawatt hours for each month.

(3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.

(4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.

(5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

Name of System:

Line No	(a)	Month/Year (b)	Month/Year (c)	Month/Year (d)	Total for Quarter (d)
1	MONTHLY PEAK LOADS AND ENERGY OUTPUT				
2	Total Monthly Energy (MWH)				
3	Monthly Non-Requirements Sales for Resale				
4	Monthly Peak MW				
5	Day of Month Peak				
6	Hour of Monthly Peak				

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Appendix B: Form 3-Q and 6-Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____ ___(E) or ____(G)	___ An Original ___A Resubmission	Month/Day/Year	Month/Day/Year

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on line 2 by month the transmission system's peak load.
(3) Report on lines 3 and 4 the specified information for each monthly transmission - system peak load reported on line 2.
(4) Report on lines 4 through 10 by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

	(a)	Month/Year (b)	Month/Year (c)	Month/Year (d)	Total for Quarter (e)
1	MONTHLY TRANSMISSION SYSTEM PEAK LOADS				
2	Monthly Peak MW - Total				
3	Day of Monthly Peak				
4	Hour of Monthly Peak				
5	Firm Network Service - For Self				
6	Firm Network Service – For Others				
7	Long-Term Firm Point-to-Point Reservations				
8	Other Long-Term Firm Service				
9	Short-Term Firm Point-to-Point Reservation				
10	Other Service				

Annual Form 1 will be revised to include an annual version of this page.

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Appendix B: Form 3Q and Form6Q Samples.

Form Approved
OMB No. _____
Expires (Month/Day/Year)

THIS FILING IS A
___ An Initial (Original) Application or
___ Resubmission No.____

FERC FORM No. 6-Q: QUARTERLY FINANCIAL REPORT OF OIL PIPELINE COMPANIES

This report is mandatory under the Interstate Commerce Act, Section 20, and 18 CFR 357.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

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Appendix B: Form 3Q and Form6Q Samples.

Exact Legal Name of Respondent (Company)	For The Quarter Ending
_____	_____ Month/Day/Year

LIST OF SCHEDULES

Enter in column (c) the terms "none", "not applicable" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none" or "not applicable".

Line No.	Title of Schedule	Page No.	Remarks
1	General Information	3	
2	Excerpts from Law and General Penalties	4	
3	General Instructions	5	
4	Identification	6	
5	Corporate Officer Certification	7	
6	Important Changes During the Quarter	8	
7	Comparative Balance Sheet	9-11	
8	Statement of Income and Retained Earnings	12-14	
9	Statement of Cash Flows	15-17	
10	Statement of Accumulated Comprehensive Income and Hedging Activities	18-19	
11	Notes to the Financial Statements	20	
12	Operating Revenues	21	
13	Operation, Maintenance and General Expenses	22-23	
14	Statistics of Operation	24-25	

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Appendix B: Form 3Q and Form6Q Samples.

I. Purpose

This form is a regulatory support requirement under 18 CFR 357.400. It is designed to collect financial and operational informational from oil pipeline companies subject to the jurisdiction of the Federal Energy Regulatory Commission. This report is also considered to be a non-confidential public use form.

II. Who Must File

(a) Each oil pipeline company, subject to the provisions of Section 20 of the Interstate Commerce Act, and having jurisdictional operating revenues of $500,000 or more in each of the three immediately preceding calendar years, must submit this form.

III. What and Where to Submit

(a) Submit this form electronically through the Form 6-Q Submission Software. Retain one copy of this report for your files.

(b) Respondents may submit the Corporate Officer Certification electronically or file a signed original Corporate Officer Certification to:

Chief Accountant
888 First Street N.E.
Washington, DC 20426

IV. When to Submit

(a) Submit this report form according the filing dates contained in sections 18 CFR 357.400 of the Commission's regulations.

V. Where to Send Comments on Public Reporting Burden

(a) The public reporting burden for this collection of information is estimated to average 150 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 888 First Street, NE, Washington DC 20426 (Attention: Michael Miller, ED-30); and to the Office of Information and Regulatory Affairs, Office of the Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission).

(b) You shall not be penalized for failure to respond to this collection of information unless the collection of information displays a valid OMB control number.

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Appendix B: Form 3Q and Form6Q Samples.

EXCERPTS FROM THE LAW

Interstate Commerce Act, Part 1

Section 20

(1) The Commission is hereby authorized to require annual, periodic, or special reports from carriers, lessors, *(as defined in this section), to prescribe the manner and form in which such reports shall be made, and to require from such carriers, lessors, ***specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary, classify such carriers, lessors, *as it may deem proper for any of these purposes.

General Penalties

Section 20

(7) (b) Any person who shall knowingly and willfully make, cause to be made, or participate in the making of any false entry in any annual or other report required under this section to be filed, ***or shall knowingly or willfully file with the Commission any false report, or other document, shall be deemed guilty of an misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment:***

(7)(c) Any carrier or lessor, or any officer, agent, employee, or representative thereof, who shall fail to make and file an annual or other report with the Commission within the time fixed by the Commission, or to make specific and full true and correct answer to any question within thirty days from the time it is lawfully required by the Commission so to do, shall forfeit to the United States the sum of one hundred dollars for each and every day it shall continue to be in default with respect thereto.

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Appendix B: Form 3Q and Form6Q Samples.

GENERAL INSTRUCTIONS

I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 352). Interpret all accounting words and phrases in accordance with the Uniform System of Accounts.

II. Enter in dollar amounts in whole numbers.

III. Complete each question fully and accurately, even if it has been answered in a previous quarterly report. Enter the word "None" where it truly and completely states the fact.

IV. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions. The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.

V. For any resubmissions, submit the filing using the Form 6 - Q Submission Software.

VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported in the positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	__Month/Day/Year	____Month/Day/Year

IDENTIFICATION

	Item
1	Exact Legal Name of Respondent _____
2	Previous Name and Date of Change (If name changed during the period) _____
3	Address of Principal Office at End of Period _____ _____
4	Name of Contact Person _____
5	Title of Contact Person _____
7	Address of Contact Person (Street, City, State, Zip Code) _____ _____
8	Telephone of Contact Person, (Including Area Code) _____

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

Line No.	Name of Certifying Official	Title	Date
1			

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

IMPORTANT CHANGES DURING THE QUARTER

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number these in accordance with the inquires. Each inquiry should be answered. Enter "none" or "not applicable" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

(1) Changes and important additions to franchise rights: Describe the actual consideration given therefor and state from whom the franchise rights were acquired. State if no consideration was given.

(2) Acquisition of ownership in other carrier operations by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, and reference to dates of Commission authorization and journal entries filed if applicable.

(3) Important extension or reduction of carrier pipeline operations: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required.

(4) State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the period.

(5) In the event that respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent, please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any, to regain at least a 30 percent proprietary ratio.

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

COMPARATIVE BALANCE SHEET

		Current Year End of Quarter Balance Month/Day/Year	Prior Year End Balance
1	**CURRENT ASSETS**		
2	Cash (10)		
3	Special Deposits (10-5)		
4	Temporary Investments (11)		
5	Notes Receivable (12)		
6	Receivables From Affiliated Companies (13)		
7	Accounts Receivable (14)		
8	Accumulated Provision For Uncollectible Accounts (14-5)		
9	Interest and Dividends Receivable (15)		
10	Oil Inventory (16)		
11	Material and Supplies (17)		
12	Prepayment (18)		
13	Other Current Assets (19)		
14	Deferred Income Tax Assets (19-5)		
15	TOTAL Current Assets (lines 2 through 14)		
16	**INVESTMENTS AND SPECIAL FUNDS**		
17	Investments in Affiliated Companies (20)		
18	Stocks		
19	Bonds		
20	Other Secured Obligations		
21	Unsecured Notes		
22	Investment Advances		
23	Undistributed Earnings From Certain Invest in Account 20		
24	Other Investments (21)		
25	Stocks		
26	Bonds		
27	Other Secured Obligations		
28	Unsecured Notes		
29	Investment Advances		
30	Sinking and Other Funds (22)		
31	Total Investment and Special Funds (lines 17 through 30)		

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____ A Resubmission	__Month/Day/Year	__Month/Day/Year

COMPARATIVE BALANCE SHEET (continued)

		Current Year End of Quarter Balance (Month/Day/Year	Prior Year End Balance
32	**TANGIBLE PROPERTY**		
33	Carrier Property (30)		
34	(Less) Accrued Depreciation - Carrier Property (31)		
35	(Less) Accrued Amortization - Carrier Property (32)		
36	Net Carrier Property (Line 33 Less lines 34 and 35)		
37	Operating Oil Supply (33)		
38	Non Carrier Property (34)		
39	(Less) Accrued Depreciation - Noncarrier Property		
40	Net Non Carrier Property (line 38 less 39)		
41	Total Tangible Property (lines 36, 37 and 40)		
42	**OTHER ASSETS AND DEFERRED CHARGES**		
43	Organization Costs and Other Intangibles (40)		
44	(Less) Accrued Amortization of Intangibles (41)		
45	Miscellaneous Other Assets (43)		
46	Other Deferred Charges (44)		
47	Accumulated Deferred Income Tax Assets (45)		
48	Derivative Instrument Assets (46)		
49	Derivative Instrument Assets - Hedges (47)		
50	Total Other Assets and Deferred Charges (lines 43 through 49)		
51	TOTAL ASSETS (lines 15, 31, 41, and 50)		

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____ A Resubmission	__Month/Day/Year	__Month/Day/Year

COMPARATIVE BALANCE SHEET (continued)

		Current Year End of Quarter Balance (Month/Day/Year)	Prior Year End Balance
1	**CURRENT LIABILITIES**		
2	Notes Payable (50)		
3	Payables to Affiliated Companies (51)		
4	Accounts Payable (52)		
5	Salaries and Wages Payable (53)		
6	Interest Payable (54)		
7	Dividend Payable (55)		
8	Taxes Payable (56)		
9	Long-Term Debt - Payable within one year (57)		
10	Other Current Liabilities (58)		
11	Deferred Income Tax Liabilities (59)		
12	Total Current Liabilities (lines 2 through 11)		
13	**NONCURRENT LIABILITIES**		
14	Long-Term Debt - Payable after one year (60)		
15	Unamortized Premium on Long-Term Debt-Dr (62)		
16	Other Noncurrent Liabilities (63)		
17	Accumulated Deferred Income Tax Liabilities (64)		
18	Total Noncurrent Liabilities (lines 14 through 17)		
19	Total Liabilities (lines 12 and 18)		
20	**STOCKHOLDERS' EQUITY**		
21	Capital Stock (70)		
22	Premiums on Capital Stock (71)		
23	Capital Stock Subscriptions (72)		
24	Additional Paid-In Capital (73)		
25	Appropriated Retained Income (74)		
26	Unappropriated Retained Income (75)		
27	(Less) Treasury Stock (76)		
28	Accumulated Other Comprehensive Income (77)		
29	Total Stockholders Equity (lines 20 through 27)		
30	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (lines 19 and 29)		

Docket No. RM03-8-000
Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF INCOME AND RETAINED EARNINGS

1. Enter in column (b) the balance for the reporting quarter and enter in column (c) the balance for the same three month period for the prior year.

2. Enter in column (d) the year to date balance for the year, and enter in column (e) the year to date balance for the same period of the prior year.

	(a)	Current Year Current Quarter (Month/Day/Year) (b)	Prior Year Prior Quarter (Month/Day/Year) (c)	Current Year to Date Quarter (Month/Day/Year) (d)	Prior Year to Date Quarter (Month/Day/Year) (e)
1	**ORDINARY ITEMS-Carrier Operating**				
2	Operating Revenues (600)				
3	(Less) Operating Expenses (610)				
4	Net Carrier Operating Income				
5	**Other Income and Deductions**				
6	Income (Net) From Noncarrier Property (602)				
7	Interest and Dividend Income (630)				
8	Miscellaneous Income (640)				
9	Unusual or Infrequent Items-Cr.(645)				
10	(Less)Interest Expense (650)				
11	(less) Misc. Income Charges (660)				
12	(Less) Unusual or Infrequent Items Debit (665)				
13	Dividend Income (Equity Investments)				
14	Undistributed Earnings (Losses)				
15	Equity In Earnings (Losses) of Affiliated Companies (lines 13 and 14)				
16	Total Other Income and Deductions				
17	Ordinary Income Before Federal Income Taxes (line 4 (+/-) line 16)				
18	(Less) Income Taxes on Income from Continuing Operations (670)				
19	(Less) Prov. for Deferred Taxes Losses (671)				
20	Income (Loss) From Continuing Operations (lines 17 through 19)				

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	_____An Original _____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF INCOME AND RETAINED EARNINGS (continued)

		Current Year Current Quarter (Month/Day/Year) (b)	Prior Year Prior Quarter (Month/Day/Year) (c)	Current Year to Date Quarter (Month/Day/Year) (d)	Prior Year to Date Quarter (Month/Day/Year) (e)
21	**Discontinued Operations**				
22	Income (Loss) from Operations of Discontinued Segments (675) (Less applicable income taxes)				
23	Gain (Loss) on Disposal of Discontinued Segments (676)				
24	Total Income (Loss) from Discontinued Operations (lines 22 and 23)				
25	Total Income (Loss) before Extraordinary Items (lines 20 and 24)				
26	**EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES**				
27	Extraordinary Items-Net-(Debt) Credit (680)				
28	Income Taxes on Extraordinary Items - Debit (Credit) (695)				
29	Provision for Deferred Taxes Extraordinary Items (696)				
30	Total Extraordinary Items (lines 27 through 29)				
31	Cumulative Effect of Changes in Accounting Principles - Net of taxes(697)				
32	Total Extraordinary Items and Accounting Changes				
33	Net Income (Loss) (Lines 25 and 32)				

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	_____An Original _____A Resubmission	Month/Day/Year	Month/Day/Year

STATEMENT OF INCOME AND RETAINED EARNINGS (continued)

	Item (a)	Current Year Current Quarter (Month/Day/Year) (b)	Prior Year Prior Quarter (Month/Day/Year) (c)	Current Year to Date Quarter (Month/Day/Year) (d)	Prior Year to Date Quarter (Month/Day Year) (e)
34	**UNAPPROPRIATED RETAINED INCOME**				
35	Balance at Beginning of Period				
36	**CREDITS**				
37	Net Balance Transferred From Income (700)				
38	Prior Period Adjustments to Beginning Retained Income (705)				
39	Other Credits (710)				
40	TOTAL (lines 34 through 39)				
41	**DEBITS**				
42	Net Balance Transferred From Income (700)				
43	Other Debits (720)				
44	Appropriations of Retained Income (740)				
45	Dividend Appropriations of Retained Income (750)				
46	TOTAL (lines 42 Through 45)				
47	Net Increase (Decrease) During the period (line 40 minus 46)				
48	Balances at End of Year (line 35 and 47)				
49	Balance From Line 58				
50	TOTAL Unappr.Retained Income and Equity in Undistr. Earnings Period(lines 48 and 49)				
51	**AMOUNT OF ASSIGNED INCOME TAXES**				
52	Account 710				
53	Account 720				
54	**EQUITY IN UNDISTRIBUTED EARNINGS (LOSSES) OF AFFILIATED COMPANIES**				
55	Balance at Beginning of Period				
56	Balance Transferred From Income				
57	Other Credits (Debits)				
58	Balance at End of Period				

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	_Month/Day/Year	_Month/Day/Year

STATEMENT OF CASH FLOWS

(1) Codes to be used: (a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt;(c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

	Description (See Instruction for Explanation of Codes).	**Current Year to Date Month/Day/Year**	**Prior Year to Date Month/Day/Year**
1	**Net Cash Flow From Operating Activities:**		
2	Net Income		
3	**Noncash Charges (Credits) to Income:**		
4	Depreciation		
5	Amortization		
6	Deferred Income Taxes		
7	Net (Increase) Decrease in Receivables		
8	Net (Increase) Decrease Inventory		
9	Net Increase (Decrease) in Payables and Accrued Expenses		
10	Other (Footnote Detail)		
11	Net Cash Provided by (Used in) Operating Activities (lines 2 through 10)		

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____ A Resubmission	__Month/Day/Year	__Month/Day/Year

STATEMENT OF CASH FLOWS (continued)

	Description (See Instruction for Explanation of Codes).	Current Year to Date Month/Day/Year	Prior Year to Date Month/Day/Year
12	**Cash Flows From Investment Activities**		
13	**Construction and Acquisition of Plant (Including Land)**		
14	Gross Additions to Carrier Property		
15	Gross Additions to Non-Carrier Property		
16	Other (Footnote Detail)		
17	Cash Outflows for Plant (lines 14 through 16)		
18	Acquisition Of Other Noncurrent Assets (d)		
19	Proceeds From Disposal of Noncurrent Assets (d)		
20	Investments in and Advances to Associated and Subsidiary Companies		
21	Contributions and Advances from Associated and Subsidiary Companies		
22	Disposition of Investments in (and Advances to) Associated and Subsidiaries Companies		
23	Purchase of Investment Securities (a)		
24	Proceeds from Sales of Investment Securities (a)		
25	Loans Made or Purchased		
26	Collections on Loans		
26	Net (Increase) Decrease in Receivables		
28	Net (Increase) Decrease in Inventory		
29	Net Increase (Decrease) in Payables and Accrued Expenses		
30	Other (Footnote Detail)		
31	Net Cash Provided by (Used in) Investing Activities (Total of Lines 18 through 30)		

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is: ____ An Original ____A Resubmission	Date of Report Month/Day/Year	For the Quarter Ending Month/Day/Year
_____			

STATEMENT OF CASH FLOWS (continued)

		Current Year to Date Month/Day/Year	Prior Year to Date Month/Day/Year
32	**Cash Flow From Financing Activities**		
33	**Proceeds from Issuance of**		
34	Long-term debt (b)		
35	Capital Stock		
36	Other (Footnote Detail)		
37	Net Increase in Short-term Debt (c)		
38	Other (Footnote Detail):		
39	Cash Provided by Outside Sources (lines 34 through 38)		
40	**Payment for Retirement of**		
41	Long-term Debt (b)		
42	Capital Stock		
43	Other (Footnote Detail):		
44	Net Decrease in Short-Term Debt (c)		
45	Dividends on Capital Stock		
46	Other (Footnote Detail):		
47	Net Cash Provided by (Used in) Financing Activities (Lines 40 through 46)		
48	Net Increase (Decrease) in Cash and Cash Equivalents (lines 11, 31, and 47)		
49	Cash and Cash Equivalents at Beginning of Period		
50	Cash and Cash Equivalents at End of Period		

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	_Month/Day/Year	_Month/Day/Year

STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME AND HEDGING ACTIVITIES

1. Report in columns (b) (c) (d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.

2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.

3. For each category of hedges that have been accounted for as "fair value hedges," report the accounts affected and the related amounts in a footnote.

	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 77 at Beginning of Preceding Quarter				
2	Preceding Quarter Reclassification from Account 77 to Net Income				
3	Preceding Quarter Changes in Fair Value				
4	Total (lines 2 and 3)				
5	Balance of Account 77 at End of Preceding Quarter/ Beginning of Current Quarter.				
6	Current Quarter Reclassification From Account 77 to Net Income				
7	Current Quarter Changes in Fair Value				
8	Total (lines 6 and 7)				
9	Balance of Account 77 at End of Current Quarter				

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	**This Report is:**	**Date of Report**	**For the Quarter Ending**
_____	____ An Original ____A Resubmission	__Month/Day/Year	Month/Day/Year

STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME AND HEDGING ACTIVITIES (continued)

	Other Cash Flow Hedges [Insert Category] (f)	Other Cash Flow Hedges [Insert Category] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 72) (i)	Total Comprehensive Income (j)
1					
2					
3					
4					
5					
6					
7					
8					
9					

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

NOTES TO FINANCIAL STATEMENTS

(1) Respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.

(2) Disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.

(3) Finally, if the notes to the financial statements relating to the respondent appearing in the quarterly report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

OPERATING REVENUES

Report the respondent's pipeline operating revenues year to date, classified in accordance with the Uniform System of Accounts.

	Account (a)	Crude Oil Year to Date Month/Day/Year (b)	Products Year to Date Month/Day/Year (c)	Year to Date Month/Day/Year (b) + (c) = (d)
1	(200) Gathering Revenues			
2	(210) Trunk Revenues			
3	(220) Delivery Revenues			
4	(230) Allowance Oil Revenues			
5	(240) Storage and Demurrage Revenue			
6	(250) Rental Revenue			
7	(260) Incidental Revenue			
8	TOTAL (lines 1 through 7)			

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

OPERATIONS, MAINTENANCE, AND GENERAL EXPENSES

Report the respondent's pipeline operating, maintenance and general expenses at the end of quarter, classified in accordance with the Uniform System of Accounts.

	Operating Expense Accounts (a)	Crude Oil Gathering Year to Date Month/Day/Year (b)	Crude Oil Trunk Year to Date Month/Day/Year (c)	Crude Oil Delivery Year to Date Month/Day/Year (d)	Total Year to Date Month/Day/Year (E)=(b)+(c)+(d)
1	OPERATIONS AND MAINTENANCE				
2	(300) Salaries and Wages				
3	(310) Materials and Supplies				
4	(320) Outside Services				
5	(330) Operating Fuel and Power				
6	(340) Oil Losses and Shortages				
7	(350) Rentals				
8	(390) Other Expenses				
9	Total (lines 2 through 8)				
10	GENERAL				
11	(500) Salaries and Wages				
12	(510) Materials and Supplies				
13	(520) Outside Services				
14	(530) Rentals				
15	(540) Depreciation and Amort.				
16	(550) Employee Benefits				
17	(560) Insurance				
18	(570) Casualty and Other Losses				
19	(580) Pipeline Taxes				
20	(590)Other Expenses				
21	Total General Expense (lines 11 through 20)				
22	TOTAL (lines 9 and 21)				

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

OPERATIONS, MAINTENANCE AND GENERAL EXPENSES (CONTINUED)

Report the respondent's pipeline operating, maintenance and general expenses at the end of quarter, classified in accordance with the Uniform System of Accounts.

	Operating Expense Accounts	Products Trunk Year to Date Month/Day/Year (f)	Products Delivery Year to Date Month/Day/Year (g)	Products Year to Date Month/Day/Year (h)=(f)+(g)	Total Year to Date Month/Day/Year (i)=(e)+(h)
1	**OPERATIONS AND MAINTENANCE**				
2	(300) Salaries and Wages				
3	(310) Materials and Supplies				
4	(320) Outside Services				
5	(330) Operating Fuel and Power				
6	(340) Oil Losses and Shortages				
7	(350) Rentals				
8	(390) Other Expenses				
9	Total (lines 2 through 8)				
10	**GENERAL**				
11	(500) Salaries and Wages				
12	(510) Materials and Supplies				
13	(520) Outside Services				
14	(530) Rentals				
15	(540) Depreciation and Amort.				
16	(550) Employee Benefits				
17	(560) Insurance				
18	(570) Casualty and Other Losses				
19	(580) Pipeline Taxes				
20	(590) Other Expenses				
21	Total General Expenses (Lines 11 through 20)				
22	TOTAL (lines 9 and 21)				

Docket No. RM03-8-000
Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____A Resubmission	Month/Day/Year	Month/Day/Year

STATISTICS OF OPERATIONS (page 1 of 2)

1. Give particulars (details) by States of origin for crude oil and for each kind of product received year to date and totals only (i.e. no State detail) for number of barrels of crude oil and of each kind of product delivered out of the pipeline year to date. Classify and list in column (a) by States of origin the refined products transported in the following order: 29111, Gasoline, jet fuels, and other high volatile petroleum fuels, except natural gasoline; 29112, Kerosene; 29113, Distillate fuel oil; 29114, Lubricating and similar oils and derivatives; 29117, Residual fuel oil and other low volatile petroleum fuels; 29112, Products of petroleum refining, n.e.c. - Specify.

	State of Origin	Number of Barrels Received From Connecting Carriers (b)	Number of Barrels Received ORIGINATED On Gathering Lines (c)	Number of Barrels Received ORIGINATED On Trunk Lines (d)	Total Received (e) = (b) + (c) + (d)
1	CRUDE OIL				
2					
3					
4					
5	TOTAL				
6	PRODUCTS (STATE OF ORIGIN AND CODE)				
7					
8					
9					
10					
11	TOTAL				

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Appendix B: Form 3Q and Form6Q Samples.

Name of Respondent	This Report is:	Date of Report	For the Quarter Ending
_____	____ An Original ____ A Resubmission	Month/Day/Year	Month/Day/Year

STATISTICS OF OPERATIONS (page 2 of 2)

2. In column (b) show all oils received by the respondent from connecting carriers reporting to the Commission. In column (c) report all oils originating on respondent's gathering lines and in column (d) all oils received into respondent's trunk line, except receipts shown in column (b) and (c). Any barrels received into a pipeline owned by the respondent, but operated by others, should be reported separately.

3. Entries in column (e) should be the sum of columns (b), (c) and (d). In column (f) show all oils delivered to connecting carriers reporting to the Commission. In column (g) show all oils terminated on the respondent's gathering lines, and in column (h) all oils delivered out of the respondent's pipeline, except deliveries shown under columns (f) and (g).

	State of Origin	Number of Barrels Delivered Out to Connecting Carriers (f)	Number of Barrels Delivered Out TERMINATED On Gathering Lines (g)	Number of Barrels Delivered Out TERMINATED On Trunk Lines (h)	Total Delivered Out (i) = (f) + (g) + (h)
1	CRUDE OIL				
2					
3					
4					
5	TOTAL				
6	PRODUCTS (STATE OF ORIGIN AND CODE)				
7					
8					
9					
10					
11	TOTAL				

Docket No. RM03-8-000
Appendix C: Form 1, 1-F, 2, 2A and 6 Schedules

Name of Respondent	This Report is:	Date of Report	Year of Report
_____	____ An Original ____ A Resubmission		

FORMS 1, 1-F, 2, 2-A and 6 ANNUAL REPORT CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have read this FERC Annual Financial Report:
Based on my knowledge this report does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances such statements were made, not misleading with respect to the period covered by this report.

Based on my knowledge the financial statements, and other financial information (Comparative Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, Statement of Cash Flows, Statement of Accumulated Comprehensive Income and Hedging Activities, and Notes to the Financial Statements) included in this report conform in all material respects with the Commission's Uniform System of Accounts, as of, and for, the periods presented in this report.

I am responsible for establishing and maintaining internal accounting controls as defined by the Commission. I have designed such internal accounting controls to ensure that material information relating to the respondent and its subsidiaries, to the extent that the respondent has subsidiaries, is made know to me by others within those entities, particularly during the period in which this report is being prepared. I have evaluated the effectiveness of internal accounting controls as of a date within 90 days prior to the period in which this report (evaluation date). I have presented in this report my conclusions about the effectiveness of the internal accounting controls based on my evaluation as of the evaluation date.

I have disclosed, based on my most recent evaluation, to the respondent's auditors and the audit committee or persons performing similar functions, to the extent that respondent has an audit committee or persons performing similar functions, that all significant deficiencies in the design or operation of internal accounting controls which could adversely affect the respondent's ability to record, process, summarize and report financial data and have identified for the respondent's auditors any material weaknesses in disclosure controls and procedures and any fraud, whether or not material, that involves management or other employees who have a significant role in the respondent's internal accounting controls.

I have indicated in this report whether or not there were significant changes in internal accounting controls and procedures or in other factors that could significantly affect internal accounting controls and procedures subsequent to the date of my most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

In addition, I have examined the remaining schedules contained in this report, to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

Line No.	Name of Certifying Official	Signature	Title	Date
1				

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Docket No. RM03-8-000
Appendix C: Form 1, 1-F, 2, 2A and 6 Schedules

Name of Respondent	This Report is:	Date of Report	Year of Report
_____	____ An Original ____ A Resubmission		

PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

	Type of Ancillary Service (a)	Amount Purchased For the Year (b)	(c)	(d)	Amount Sold For the Year (e)	(f)	(g)
		Usage – Related Billing Determinant			Usage – Related Billing Determinant		
		Number of Units	Unit of Measure	Dollars	Number of Units	Unit of measure	Dollars
1	Scheduling, System Control and Dispatch						
2	Reactive Supply and Voltage						
3	Regulation and Frequency Response						
4	Energy Imbalance						
5	Operating Reserve–Spinning						
6	Operating Reserve–Supplemental						
7	Other						
8	Total						

FERC FORM 1, and 1-F (NEW Month/Year)

2

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