**Section 605.130 Accounting Instruction 22**

In Accounting Instruction 22, "Utility Plant – Accounting for Capital and Operating Leases," delete Paragraph B and replace with the following:

"B. If the amount of the lease is material, then it will be recorded as a capital lease or as an operating lease as may be applicable. Materiality is defined as the magnitude of an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it possible that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement."