**Section 605.170 Accounting Instruction 40**

a) Class A Utilities shall maintain the accounts listed in subsections (a)(1) through (a)(8) of this Section.

1) Utility Operating Accounts

 Account No.

|  |  |
| --- | --- |
| 400 | Operating Revenues |
| 401 | Operating Expenses |
| 403 | Depreciation Expenses |
| 406 | Amortization of Utility Plant Adjustments |
| 407 | Amortization Expense |
| 407.1 | Amortization of Limited Term Plant |
| 407.2 | Amortization of Property Losses |
| 407.3 | Amortization of Other Utility Plant |
| 407.4 | Amortization of Regulatory Assets |
| 407.5 | Amortization of Regulatory Liabilities |
| 408 | Taxes Other Than Income |
| 408.10 | Utility Regulatory Assessment Fees |
| 408.11 | Property Taxes |
| 408.12 | Payroll Taxes |
| 408.13 | Other Taxes and License |
| 409 | Income Taxes |
| 409.10 | Federal Income Taxes, Utility Operating Income |
| 409.11 | State Income Taxes, Utility Operating Income |
| 409.12 | Local Income Taxes, Utility Operating Income |
| 410 | Provision for Deferred Income Taxes |
| 410.10 | Deferred Federal Income Taxes |
| 410.11 | Deferred State Income Taxes |
| 410.12 | Deferred Local Income Taxes |
| 411 | Provision for Deferred Income Taxes – Credit |
| 411.10 | Provision for Deferred Income Taxes – Credit, |
|  | Utility Operating Income |
| 412 | Investment Tax Credits |
| 412.10 | Investment Tax Credits Deferred to Future Periods, |
|  | Utility Operations |
| 412.11 | Investment Tax Credits Restored to Operating Income, |
|  | Utility Operations |
| 413 | Income From Utility Plant Leased to Others |
| 414 | Gains (Losses) From Disposition of Utility Property |

2) Other Income and Deductions

|  |  |
| --- | --- |
| 415 | Revenues from Merchandising, Jobbing |
|  | Contract Work |
| 416 | Costs and Expenses of Merchandising, Jobbing and |
|  | Contract Work |
| 419 | Interest and Dividend Income |
| 420 | Allowance for Funds Used During Construction |
| 421 | Nonutility Income |
| 426 | Miscellaneous Nonutility Expenses |

3) Taxes Applicable to Other Income and Deductions

|  |  |
| --- | --- |
| 408 | Taxes Other Than Income |
| 408.20 | Taxes Other Than Income, Other Income and |
|  | Deductions |
| 409 | Income Taxes |
| 409.20 | Income Taxes, Other Income and Deductions |
| 410 | Provision for Deferred Income Taxes |
| 410.20 | Provision for Deferred Income Taxes, other Income |
|  | and Deductions |
| 411 | Provision for Deferred Income Taxes – Credit |
| 411.20 | Provision for Deferred Income Taxes – Credit, |
|  | Other Income and Deductions |
| 412 | Investment Tax Credits |
| 412.20 | Investment Tax Credits – Net, Nonutility Operations |
| 412.30 | Investment Tax Credits Restored to Nonoperating |
|  | Income, Utility Operations |

4) Interest Expense

|  |  |
| --- | --- |
| 427 | Interest Expense |
| 427.1 | Interest on Debt to Affiliated Interests |
| 427.2 | Interest on Short-term Debt |
| 427.3 | Interest on Long-Term Debt |
| 427.4 | Interest on Customer Deposits |
| 427.5 | Interest – Other |
| 428 | Amortization of Debt Discount and Expense |
| 429 | Amortization of Premium on Debt |

5) Extraordinary Items

|  |  |
| --- | --- |
| 433 | Extraordinary Income |
| 434 | Extraordinary Deduction |
| 409.30 | Income Taxes, Extraordinary Items |

6) Retained Earnings Accounts

|  |  |
| --- | --- |
| 435 | Balance Transferred From Income |
| 436 | Appropriations of Retained Earnings |
| 437 | Dividends Declared – Preferred Stock |
| 438 | Dividends Declared – Common Stock |
| 439 | Adjustments to Retained Earnings |

7) Water Operation Revenue Accounts

A) Water Revenue

|  |  |
| --- | --- |
| 460 | Unmetered Water Revenue |
| 461 | Metered Water Revenue |
| 461.1 | Metered Sales to Residential Customers |
| 461.2 | Metered Sales to Commercial Customers |
| 461.3 | Metered Sales to Industrial Customers |
| 461.4 | Metered Sales to Public Authorities |
| 461.5 | Metered Sales to Multiple Family Dwellings |
| 462 | Fire Protection |
| 462.1 | Public Fire Protection |
| 462.2 | Private Fire Protection |
| 464 | Other Sales to Public Authorities |
| 465 | Sales to Irrigation Customers |
| 466 | Sales for Resale |
| 467 | Interdepartmental Sales |

B) Other Water Revenues

|  |  |
| --- | --- |
| 469 | Guaranteed Revenues |
| 470 | Forfeited Discounts |
| 471 | Miscellaneous Service Revenues |
| 472 | Rents from Water Property |
| 473 | Interdepartmental Rents |
| 474 | Other Water Revenues |

8) Water Operation and Maintenance Expense Accounts

|  |  |
| --- | --- |
| 601 | Salaries and Wages – Employees |
| 603 | Salaries and Wages – Officers, Directors and |
|  | Majority Stockholders |
| 604 | Employee Pensions and Benefits |
| 610 | Purchased Water |
| 615 | Purchased Power |
| 616 | Fuel for Power Production |
| 618 | Chemicals |
| 620 | Materials and Supplies |
| 631 | Contractual Services – Engineering |
| 632 | Contractual Services – Accounting |
| 633 | Contractual Services – Legal |
| 634 | Contractual Services – Management Fees |
| 635 | Contractual Services – Testing |
| 636 | Contractual Services – Other |
| 641 | Rental of Buildings/Real Property |
| 642 | Rental of Equipment |
| 650 | Transportation Expense |
| 656 | Insurance – Vehicle |
| 657 | Insurance General |
| 658 | Insurance – Workman's Compensation |
| 659 | Insurance – Other |
| 660 | Advertising Expense |
| 666 | Regulatory Commission Expenses – Amortization |
|  | of Rate Case Expense |
| 668 | Water Resource Conservation Expense |
| 667 | Regulatory Commission Expenses – Other |
| 670 | Bad Debt – Expense |
| 675 | Miscellaneous Expenses |

b) Class B utilities shall maintain the accounts listed in subsections (b)(1) through (b)(8) of this Section.

1) Utility Operating Accounts

Account No.

|  |  |
| --- | --- |
| 400 | Operating Revenues |
| 401 | Operating Expenses |
| 403 | Depreciation Expenses |
| 406 | Amortization of Utility Plant Acquisition Adjustments |
| 407 | Amortization Expenses |
| 407.1 | Amortization of Limited Term Plant |
| 407.2 | Amortization of Property Losses |
| 407.3 | Amortization of Other Utility Plant |
| 407.4 | Amortization of Regulatory Assets |
| 407.5 | Amortization of Regulatory Liabilities |
| 408 | Taxes Other Than Income |
| 409 | Income Taxes |
| 410 | Provision for Deferred Income Taxes |
| 411 | Provision for Deferred Income Taxes – Credit |
| 412 | Investment Tax Credits |
| 413 | Income From Utility Plant Leased to Others |
| 414 | Gains (Losses) From Disposition of Utility Property |

2) Other Income and Deductions

|  |  |
| --- | --- |
| 415 | Revenues from Merchandising, Jobbing and |
|  | Contract Work |
| 416 | Costs and Expenses of Merchandising, Jobbing |
|  | and Contract Work |
| 419 | Interest and Divided Income |
| 420 | Allowance for Funds Used During Construction |
| 421 | Nonutility Income |
| 426 | Miscellaneous Nonutility Expenses |

3) Taxes Applicable to Other Income and Deductions

|  |  |
| --- | --- |
| 408 | Taxes Other Than Income |
| 409 | Income Taxes |
| 410 | Provision for Deferred Income Taxes |
| 411 | Provision for Deferred Income Taxes – Credit |
| 412 | Investment Tax Credits |

4) Interest Expense

|  |  |
| --- | --- |
| 427 | Interest Expense |
| 428 | Amortization of Debt Discount and expense |
| 429 | Amortization of Premium on Debt |

5) Extraordinary Items

|  |  |
| --- | --- |
| 433 | Extraordinary Income |
| 434 | Extraordinary Deduction |
| 409.30 | Income Taxes, Extraordinary Items |

6) Retained Earnings Accounts

|  |  |
| --- | --- |
| 435 | Balance Transferred From Income |
| 436 | Appropriations of Retained Earnings |
| 437 | Dividends Declared – Preferred Stock |
| 438 | Dividends Declared – Common Stock |
| 439 | Adjustments to Retained Earnings |

7) Water Operation Revenue Accounts

A) Water Revenue

|  |  |
| --- | --- |
| 460 | Unmetered Water Revenue |
| 461 | Metered Water Revenue |
| 462 | Fore Protection |
| 464 | Other Sales to Public Authorities |
| 465 | Sales to Irrigation Customers |
| 466 | Sales for Resale |
| 467 | Interdepartmental Sales |

B) Other Water Revenues

|  |  |
| --- | --- |
| 469 | Guaranteed Revenues |
| 470 | Forfeited Discounts |
| 471 | Miscellaneous Service Revenues |
| 472 | Rents from Water Property |
| 473 | Interdepartmental Rents |
| 474 | Other Water Revenues |

8) Water Operation and Maintenance Expense Accounts

|  |  |
| --- | --- |
| 601 | Salaries and Wages |
| 604 | Employee Pensions and Benefits |
| 610 | Purchased Water |
| 615 | Purchased Power |
| 616 | Fuel for Power Production |
| 618 | Chemicals |
| 620 | Materials and Supplies |
| 631 | Contractual Services |
| 641 | Rental of Building/Real Property |
| 642 | Rental of Equipment |
| 650 | Transportation Expense |
| 656 | Insurance |
| 660 | Advertising Expense |
| 666 | Regulatory Commission Expense |
| 668 | Water Resource Conservation Expense |
| 670 | Bad Debt Expense |
| 675 | Miscellaneous Expenses |

(Source: Amended at 22 Ill. Reg. 11742, effective July 1, 1998)