

**Public Service Commission of Wisconsin**

**Uniform System of Accounts**

**For**

**Municipally-Owned Sewer Utilities**



Effective January 1, 2008

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## **Abstract from Wisconsin Statutes**

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Section 66.0819 (1) A town, village, or city may construct, acquire, or lease, or extend and improve, a plant and equipment within or without its corporate limits for the furnishing of water to the municipality or to its inhabitants, and for the collection, treatment, and disposal of sewage, including the lateral, main and intercepting sewers, and all necessary equipment. The plant and equipment, whether the structures and equipment for the furnishing of water and for the disposal of sewage are combined or separate, may by ordinance be constituted a single public utility.

(2) The provisions of this chapter and ch. 196, and 197 relating to a water system, including those provisions relating to the regulation of a water system by the public service commission, apply to a consolidated water and sewage disposal system as a single public utility. In prescribing rates, accounting and engineering practices, extension rules, service standards or other regulations for a consolidated water and sewage disposal system, the public service commission shall treat the water system and the sewage disposal system separately, unless such commission finds that the public interest requires otherwise.

(3) A town, village, or city which owns or acquires a water system and a plant or system for the treatment or disposal of sewage may by ordinance consolidate the systems into a single public utility. After the effective date of the ordinance the consolidated utility is subject to this section as though originally acquired as a single public utility.

## **General Instruction**

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Abstracts from the statutes, definitions, instructions, and account contained in the uniform system of accounts for water utilities, prescribed by Order of this Commission, shall be followed to the extent applicable in accounting for sewer operations of combined water and sewer utilities.

Balance sheet accounts and income accounts applicable to both water and sewer operations shall be subdivided where possible to show the operations, and the portion applicable to joint operations. Such subdivision shall be indicated by suffixing the account number with the letter “W,” “S,” or “J” and suffixing the account name with the work “Water,” Sewer,” or “Joint.”

Specific accounts, together with detailed instructions, are provided in this system of accounts and prescribed for use in recording sewer plant costs and sewer operating revenues and expenses.

## **Sewer Plant Accounts**

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### **1. Intangible Plant**

- 301 Organization
- 302 Franchises and Consents
- 303 Miscellaneous Intangible Plant

### **2. Collecting System Plant and Equipment**

- 310 Land and Land Rights
- 311 Structures and Improvements
- 312 Service Connections, Traps, and Accessories
- 313 Collecting Mains and Accessories
- 314 Interceptor Mains and Accessories
- 315 Force Mains
- 316 Other Collecting System Equipment

### **3. Collecting System Pumping Installations**

- 320 Land and Land Rights
- 321 Structures and Improvements
- 322 Receiving Wells
- 323 Electric Pumping Equipment
- 324 Other Power Pumping Equipment
- 325 Miscellaneous Pumping Equipment

### **4. Treatment and Disposal Plant**

- 330 Land and Land Rights
- 331 Structures and Improvements
- 332 Preliminary Treatment Equipment
- 333 Primary Treatment Equipment
- 334 Secondary Treatment Equipment
- 335 Advanced Treatment Equipment
- 336 Chlorination Equipment
- 337 Sludge Treatment and Disposal Equipment
- 338 Plant Site Piping
- 339 Flow Metering and Monitoring Equipment
- 340 Outfall Sewer Pipes
- 341 Other Treatment and Disposal Plant Equipment

## **Sewer Plant Accounts**

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### **5. General Plant**

389	Land and Land Rights
390	Structures and Improvements
390.1	Office Furniture and Equipment
392	Computer Equipment
393	Transportation Equipment
394	Stores Equipment
395	Tools, Shop, and Garage Equipment
396	Laboratory Equipment
397	Power Operated Equipment
397.1	Communication Equipment
398	SCADA Equipment

### **6. Other Utility Plant**

NOTE: Utilities will use appropriate Accounts 102 through 119 as provided in the Balance Sheet Accounts

## **Sewer Plant Accounts**

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### **Intangible Plant**

#### 301 Organization

This account shall include expenditures incurred in organizing the municipal utility and putting it into readiness to do business.

NOTE: This account shall not include any discounts upon securities issued or assumed; nor shall it include any cost incurred in negotiating loans, selling bonds or other evidences of debt.

#### 302 Franchises and Consents

- A. This account shall include amounts paid to the federal government, to a state or to a political subdivision in consideration for franchises, consents or certificates, running in perpetuity or for a specified term of more than one year, together with necessary and reasonable expenses incurred in procuring such franchises, consents or certificates of permission and approval.
- B. Records supporting this account shall be kept to show separately the book cost of each franchise or consent.

#### 303 Miscellaneous Intangible Plant

- A. This account shall include the cost of patent rights, licenses, privileges and other intangible property necessary or valuable in the conduct of utility operations and not specifically chargeable to any other account.
- B. When any item included in this account is retired or expires, the book cost shall be credited to this account and charged to Account 435, Miscellaneous Debits to Surplus, or to Account 114, Accumulated Provision for Amortization of Utility Plant in Service, as appropriate.
- C. This account shall be maintained in such a manner that the utility can furnish full information with respect to the recorded amounts.



## **Sewer Plant Accounts**

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### **Collecting System Plant and Equipment**

#### 310 Land and Land Rights

This account shall include the cost of land and land rights used in connection with collecting system plant and equipment. (*See Utility Plant Instruction 6.*)

#### 311 Structures and Improvements

This account shall include the cost in place of structures and improvements used in connection with collecting system not included in other accounts provided for Collecting System Plant and Equipment. (*See Utility Plant Instruction 7.*)

#### 312 Service Connections, Traps, and Accessories

This account shall include the cost of material and labor, and other costs and charges, such as permit fees, etc., incurred in the installation of service connections, sewage traps and accessories pertaining from the collecting pipes to the customer's premises or to the point of junction with the customer-owned portion of such service connection.

#### 313 Collecting Mains and Accessories

This account shall include the cost of all mains, pipes, ducts, and accessories, the primary purpose of which is to convey sewage from the service connection to a point where it enters the interceptor main or pumping station within the collecting system.

#### 314 Interceptor Mains and Accessories

This account shall include the cost installed of all mains, pipes, ducts, and accessories, the primary purpose of which is to convey sewage from various points in the collecting system to centrally located pumping stations or directly to the treatment plant or outfall pipe.

#### 315 Force Mains

This account shall include the cost installed of mains, piping and special castings, valves, etc., used in the conveyance of sewage, under pressure, to the next pumping station or other junction point in the collecting system, to the treatment plant or directly to a point of final discharge.

#### 316 Other Collecting System Equipment

This account shall include the cost of all equipment used in the collecting process, which by their nature cannot be included in any other account of this functional group.

## **Sewer Plant Accounts**

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### **Collecting System Pumping Installations**

320 Land and Land Rights

This account shall include cost of land and land rights used in connection with collecting system pumping operations. (*See Utility Plant Instruction 6.*)

321 Structures and Improvements

This account shall include the cost in place of structures and improvements used in collecting system pumping operations. (*See Utility Plant Instruction 7.*)

322 Receiving Wells

This account shall include the cost of constructing wells at pumping stations or at other junction points along the collecting system, used for intercepting sewage for clearing and screening, transfer to a pumping well or otherwise further convey it along the collecting system to the treatment plant or point of final discharge.

NOTE: The cost of preassembled or “package lift stations” shall be appropriately allocated to Account 322, Receiving Wells, and Account 323, Electric Pumping Equipment.

323 Electric Pumping Equipment

This account shall include the cost installed of all pumping equipment operated by electric power, used in the collecting process. Such equipment shall include generating equipment (if any), prime movers, pumps and all related equipment and appliances. (*See note to Account 322 above.*)

324 Other Power Pumping Equipment

This account shall include the cost installed of all pumping equipment operated by other than electric power in the collecting process, such as diesel, steam, gasoline, etc. This account shall also include all apparatus used for the production of such power, all prime movers and pumps operated in connection with all accessory equipment, except electric pumping equipment chargeable to Account 323, Electric Pumping Equipment.

325 Miscellaneous Pumping Equipment

This account shall include the cost of miscellaneous equipment at pumping stations along the collecting system not included in any of the preceding accounts.

## **Sewer Plant Accounts**

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### **Treatment and Disposal Plant**

#### 330 Land and Land Rights

This account shall include the cost of land and land rights used in connection with sewer treatment plant operations. (*See Utility Plant Instruction 6.*)

#### 331 Structures and Improvements

This account shall include the cost in place of structures and improvements used in connection with the operation of the sewer treatment plant. (*See Utility Plant Instruction 7.*)

#### 332 Preliminary Treatment Equipment

This account shall include the cost of equipment, facilities, and associated structures, the purpose of which is to remove from sewage those objects which would otherwise clog or damage pumps or interfere with subsequent treatment processes. Preliminary treatment equipment and facilities include those devices designed to:

- A. Remove or to reduce in size large suspended or floating organic solids. These solids consist of pieces of wood, cloth, paper, plastic, garbage, together with some fecal matter
- B. Remove heavy inorganic solids and grit (sand, gravel, and possible metallic objects)
- C. Remove excessive amount of oils or greases

#### Items

1. Comminuting devices and related facilities
2. Grit chambers and associated manual and automatic cleaning equipment
3. Pre-aeration tanks, for aeration of sewage before primary treatment, including associated aeration equipment
4. Racks and bar screens and associated manual and automatic cleaning equipment
5. Solids disposal equipment including devices for storage, incineration, grinding or other disposal

#### 333 Primary Treatment Equipment

This account shall include the cost of equipment, facilities, and associated structures, the purpose of which is to remove from the sewage organic and inorganic settleable solids by the physical process of sedimentation. Include in this account the cost of chemical treatment facilities, where the purpose of such treatment prior to sedimentation is to produce a floc or otherwise condition the sewage so as to cause the formation of larger more readily settleable solids. (Do not include chlorination equipment. (*See Account 336.*))

## **Sewer Plant Accounts**

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This account shall also include the cost of mechanical equipment contained in sedimentation tanks to collect scum and move the settled solids to sludge hoppers.

### Items

1. Chemical feeders
2. Flocculation tanks
3. Mixing units
4. Primary sedimentation tanks and associated manual and mechanical equipment for collecting scum and settled solids

### 334 Secondary Treatment Equipment

This account shall include the cost of equipment, facilities, and associated structures used in the sewage treatment process which employs biological growths to effect aerobic decomposition or oxidation of organic material into more stable compounds to provide a higher degree of treatment than that accomplished by primary sedimentation alone. This account shall also include the cost of secondary sedimentation or settling facilities.

### Items

1. Activated sludge aeration tank, aeration equipment, return activated sludge pumps and piping and related equipment
2. Aerated lagoon, aerators, and related equipment
3. Contact aeration tanks beginning with the first stage aeration tank to the final settling tank, including aeration equipment, settled solids collecting equipment, and related facilities
4. Intermittent sand filters including filter media, underdrainage system, and related equipment
5. Secondary sedimentation or settling tanks and associated manual or mechanical equipment for collecting scum and settled solids in sludge hoppers
6. Stabilization ponds
7. Trickling filters including filter media, underdrain systems, dosing tanks, distributors, and related equipment

### 335 Advanced Treatment Equipment

This account shall include the cost of equipment, facilities, and associated structures, the purpose of which is to remove inorganic and organic substances such as ammonia, calcium, chloride, mercury, nitrate, phosphate, sulfate, or surfactants, which are little affected by conventional treatment operations or processes. Advanced treatment methods may include physical, chemical or biological operations or processes depending on the type of wastewater to be treated and the types of substances to be affected and the degree to which they are to be removed.

## Sewer Plant Accounts

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### Items

#### Physical Processes

1. Filtration equipment and facilities, i.e., multimediuim filter beds and microstrainer
2. Lime recovery equipment and related facilities
3. Recarbonation equipment and related facilities
4. Stripping towers, blowers and related equipment

#### Chemical Processes

5. Carbon adsorption equipment and facilities
6. Chemical storage tanks
7. Feeder pumps
8. Floc tanks
9. Ion exchange reactors or beds and associated equipment and facilities
10. Mixers

#### Biological Processes

11. Facilities and equipment associated with a bacterial assimilation process
12. Facilities and equipment associated with an algae harvesting process
13. Facilities and equipment associated with a nitrification denitrification process

### 336 Chlorination Equipment

This account shall include the cost of all chlorination plant and equipment as employed in the sewage treatment process for the following purposes:

- A. Aid in plant operation associated with sedimentation, trickling filters, or activated sludge bulking
- B. Disinfection or destruction of pathogenic organisms
- C. Prevention of sewage decomposition for purposes of odor control or protection of plant structures
- D. Reduction or delay of biochemical oxygen demand

### Items

1. Chlorine contact tanks and equipment including piping, pumps, and other devices for conveying the chlorine solution from the chlorinators to the contact tanks
2. Chlorinators and associated water supply piping and pumps
3. Chlorine gas producing evaporators and associated piping for transmitting chlorine gas to the chlorinators
4. Chlorine containers, lines for conveying chlorine to gas generators, and associated equipment

### 337 Sludge Treatment and Disposal Equipment

This account shall include the cost of facilities and equipment associated with the conveyance, treatment and disposal of sewage sludge which is comprised of the solids and water separated from the sewage effluent in the primary, secondary and

## Sewer Plant Accounts

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advanced treatment processes. Do not include pumps and piping associated with return activated sludge which are to be included in Account 334, Secondary Treatment Equipment.

### Items

1. Chemical feed and mixing equipment used for the chemical conditioning of sludge
2. Drying sand beds including underdrains, gravel and sand media, and other associated facilities
3. Equipment for destroying excess sludge gas generated in the digestors and not used as fuel
4. Heat drying facilities for reducing the moisture content of sludge
5. Sludge digestion tanks and accessories, including gas collecting devices, heating equipment used in the digestion process, fuel storage and piping, including piping for conducting sludge gas to preheating equipment for use as fuel
6. Sludge disposal facilities including incinerators and other equipment required for disposal by burial, for use as fill or fertilizer or soil conditioner
7. Sludge lagoons
8. Sludge pumps and piping, not including that associated with return activated sludge
9. Sludge thickening or concentration tanks and accessories
10. Vacuum filtration equipment for dewatering sludge and other like equipment and accessories

### 338 Plant Site Piping

This account shall include the cost of all piping and associated pumping equipment employed in the sewage treatment process to convey the effluent from one treatment process to another. This does not include any pumps or piping used for the transmission of sludge or any other equipment that can be classified to other sewage treatment plant accounts.

### 339 Flow Metering and Monitoring Equipment

This account shall include the cost of facilities employed to measure or meter the volume of effluent entering the treatment process as well as any special equipment installed for the purpose of centrally monitoring by remote facilities various stages of the sewage or sludge treatment process.

### 340 Outfall Sewer Pipes

This account shall include the cost installed of all pipes, their appurtenances, fittings, etc., through which the final sewage effluent from the treatment plant, or from disposal and/or treatment points designated as such along the collecting system, is discharged to a stream, lake, river, or other point of final disposal.

## **Sewer Plant Accounts**

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### 341 Other Treatment and Disposal Plant Equipment

This account shall include the cost of all stationary and movable equipment used in any stage of the treatment and disposal process, which equipment is not properly included in any of the other accounts in this functional group.

### **General Plant**

### 389 Land and Land Rights

This account shall include the cost of land and land rights used for utility purposes, the cost of which is not properly included in other land and land rights accounts. (*See Utility Plant Instruction 6.*)

### 390 Structures and Investments

This account shall include the cost of structures and improvements used for utility purposes, the cost of which is not properly included in other structures and improvements accounts. (*See Utility Plant Instruction 7*)

### 391 Office Furniture and Equipment

D. This account shall include the cost of office furniture and equipment owned by the utility and devoted to utility service, and not permanently attached to buildings, except the cost of such furniture and equipment which the utility elects to assign to other plant accounts on a functional basis.

E. If the utility has equipment included in this account at more than one location, separate records shall be maintained for each location.

#### Items

1. Book cases and shelves
2. Desks, chairs, and desk equipment
3. Drafting room equipment
4. Filing, storage, and other cabinets
5. Floor covering
6. Library and library equipment
7. Office equipment
8. Safes
9. Tables

#### 391.1 Computer Equipment

A. This account shall include the original cost of computers and peripheral devices which are designed to perform general administrative information processing activities.

## Sewer Plant Accounts

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- B. Administrative information processing includes but is not limited to activities such as preparation of financial, statistical, or other business analytical reports; preparation of payroll, customer bills, and cash management reports, and other records and reports not specifically designed for testing, diagnosis, maintenance or control of pumping, treatment, storage or distribution plant.
- C. This account shall include the original cost of initial operating system software for computers classifiable to this account whether acquired separately or in conjunction with associated hardware.
- D. This account does not include the cost of computers, their associated peripheral devices, and their initial operating system software associated with the testing, diagnosis, maintenance or control of pumping, treatment, and storage or distribution plant. Such computers, peripherals, and software shall be classified to the appropriate plant account.

### 392 Transportation Equipment

This account shall include the cost of transportation vehicles used for utility purposes.

#### Items

1. Automobiles
2. Bicycles
3. Electrical vehicles
4. Motorcycles
5. Tractors and trailers
6. Trucks
7. Other transportation vehicles

### 393 Stores Equipment

- A. This account shall include the cost of equipment used for the receiving, shipping, handling, and storing of materials and supplies.
- B. If the utility has equipment includible in this account at more than one location, separate records shall be maintained for each location.

#### Items

1. Chain falls
2. Counters
3. Cranes (portable)
4. Elevating and stacking equipment (portable)
5. Hoists
6. Lockers
7. Scales
8. Shelving
9. Storage bins



## Sewer Plant Accounts

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10. Trucks, hand and power driven
11. Wheelbarrows

### 394 Tools, Shop, and Garage Equipment

This account shall include the cost of tools, implements, and equipment used in construction, repair work, general shops and garages and not specifically provided for or included in other accounts.

#### Items

1. Air compressors
2. Anvils
3. Automobile repair shop equipment
4. Battery charging equipment
5. Belts, shafts and countershafts
6. Boilers
7. Cable pulling equipment
8. Concrete mixers
9. Drill presses
10. Derricks
11. Electric equipment
12. Engines
13. Forges
14. Furnaces
15. Foundations and settings specially constructed for and not expected to outlast the equipment for which provided.
16. Gasoline pumps, oil pumps, and storage tanks
17. Greasing tools and equipment
18. Hoists
19. Ladders
20. Lathes
21. Machine tools
22. Motor driven tools
23. Motors
24. Pipe threading and cutting tools
25. Pneumatic tools
26. Pumps
27. Riveters
28. Smithing equipment
29. Tool racks
30. Vises
31. Welding apparatus
32. Work benches
33. Wrenches

## **Sewer Plant Accounts**

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### 395 Laboratory Equipment

- A. This account shall include the installed cost of laboratory equipment used for general laboratory purposes and not specifically provided for or included in other departmental or functional plant accounts.
- B. If the utility has equipment includible in this account at more than one location, separate records shall be maintained for each location.

#### Items

1. Autoclaves
2. Barometers
3. Cameras
4. Centrifuges
5. Distilling apparatus
6. Furnaces
7. Microscopes
8. Ovens
9. Pitometers
10. Rain gauges
11. Refrigerators
12. Scales
13. Sterilizers
14. Stop watches
15. Testing equipment
16. Thermometers
17. Voltmeters
18. Other bacteriological, electrical, chemical, hydraulic, or research equipment

### 396 Power Operated Equipment

This account shall include the cost of power operated equipment used in construction or repair work exclusive of equipment included in other accounts. Include, also, the tools and accessories acquired for use with such equipment and the vehicle on which such equipment is mounted.

#### Items

1. Air compressors, including driving unit and vehicle
2. Backhoes
3. Boring machines
4. Bulldozers and skid loaders
5. Cranes and hoists
6. Engines and generators
7. Pile drivers
8. Pipe cleaning machines
9. Pipe coating or wrapping machines
10. Tractors

## **Sewer Plant Accounts**

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11. Trenchers
12. Other power operated equipment

NOTE: It is intended that this account include only such large units as are generally self-propelled or mounted on moveable equipment.

### **397 Communication Equipment**

This account shall include the installed cost of telephone and wireless equipment for general use in connection with utility operations.

#### **397.1 SCADA Equipment**

This account shall include the original cost of computers and peripheral devices and their initial operating system software which are designed to perform the testing, diagnosis, maintenance or control of pumping, storage or distribution plant.

### **398 Miscellaneous Equipment**

This account shall include the cost of equipment, apparatus, etc., used in utility operations, and which is not included in any other account.

#### **Items**

1. First aid and infirmary equipment
2. Kitchen equipment
3. Recreation equipment
4. Other miscellaneous equipment

NOTE: Miscellaneous equipment of the nature indicated above wherever practical shall be included in the utility plant accounts on a functional basis.

### **Other Utility Plant**

All utilities will use the appropriate Accounts 102 through 119 as provided in the Balance Sheet Accounts.

## **Operating Revenue Accounts**

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### **1. Sewer Revenues**

- 621 Flat Rate Service to General Customers
- 622 Measured Service to General Customers
- 624 Service to Other Systems
- 625 Other Sewerage Service
- 626 Interdepartmental Service

### **2. Other Operating Revenues**

- 631 Customer Forfeited Discounts
- 632 Servicing of Customers Laterals
- 633 Sale of Fertilizer
- 634 Rent from Sewerage Property
- 635 Miscellaneous Operating Revenues

## **Operating Revenue Accounts**

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### **Sewer Revenues**

#### **621 Flat Rate Service to General Customers**

- A. This account shall include the billing for sewerage service rendered to residential, commercial, industrial and public authority purposes where the charge is not dependent in any way on the quantity of water delivered or metered effluent output but is based on residential equivalent units (REU), diameter of service pipe, number of rooms, foot of frontage or other similar unit.
- B. Records shall be maintained so that the estimated quantity of effluent and the amount of revenue under each rate schedule shall be readily available.
- C. This account shall be subdivided at least as follows:
  - 621.1 Residential Revenues
  - 621.2 Commercial Revenues
  - 621.3 Industrial Revenues
  - 621.4 Public Authority Revenues

NOTE: When service is supplied through a single sewer lateral to property used for both residential and commercial purposes, the total revenue shall be included in Subaccount 621.1 or 621.2 according to the principal use of the property. However, when three or more units are served for either, it shall be included in Subaccount 621.2.

#### **622 Measured Service to General Customers**

- A. This account shall include the billing for sewer service rendered to residential, commercial, industrial, and public authority purposes where the total charge is, or may be, in any way dependent on the quantity of water consumed or the quantity of effluent output by the customers.
- B. Records shall be maintained so that the quantity of effluent and the amount of revenue under each rate schedule shall be readily available.
- C. This account shall be subdivided at least as follows:
  - 622.1 Residential Revenues
  - 622.2 Commercial Revenues
  - 622.3 Industrial Revenues
  - 622.4 Public Authority Revenues

NOTE: See note following Account 621 above.

## **Operating Revenue Accounts**

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### 624 Service to Other Systems

This account shall be credited with all revenues derived from sewer service rendered to other sewerage systems, whether operated by a public authority or a private enterprise.

### 625 Other Sewerage Services

This account shall be credited with all revenues derived from residential or commercial service furnished to any customer served without a permanent service connection and for all other sewerage service not elsewhere provided for.

### 626 Interdepartmental Sales

This account shall be credited with all amounts charged by the sewer department at tariff or other specified rates for sewerage service provided by it to other joint utility departments.

## **Other Operating Revenues**

### 631 Customers Forfeited Discounts

This account shall include the amount which the utility allows its customers on condition that they pay their sewage bills on or before a specified date and which are forfeited by customers because of failure to pay within the specified time. This account shall also include the amounts of penalties imposed by the utility on its customers because of failure to pay bills within a specified time.

### 632 Servicing of Customers Laterals

This account shall include revenues accruing to the utility from charges to customers on account of the maintenance of laterals installed on customers' premises.

### 633 Sale of Fertilizer

This account shall include all revenues received from the sale of by-product sludge sold as fertilizer or for other purposes.

### 634 Rent from Sewer Properties

This account shall include all revenues derived from rents received for the use by others of land, buildings, and other property devoted to sewer operations by the utility.

## **Operating Revenue Accounts**

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### 635 Miscellaneous Operating Revenues

This account shall include revenues incidental to sewage operations not included in any of the foregoing accounts. This covers such items as fees and charges for changing, connecting, and disconnecting service and profit on the sale of materials and supplies not ordinarily purchased for resale.

## **Operation and Maintenance Expenses Accounts**

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### **1. Operation Expenses**

820	Supervision and Labor
821	Power and Fuel for Pumping
822	Power and Fuel for Aeration Equipment
823	Chlorine
824	Phosphorous Removal Chemicals
825	Sludge Conditioning Chemicals
826	Other Chemicals for Sewage Treatment
827	Other Operating Supplies and Expenses
828	Transportation Expenses
829	Rents

### **2. Maintenance Expenses**

831	Maintenance of Sewage Collection System
832	Maintenance of Collection System Pumping Equipment
833	Maintenance of Treatment and Disposal Plant Equipment
834	Maintenance of General Plant Structures and Equipment

### **3. Customer Accounting and Collection Expenses**

840	Billing, Collecting and Accounting
841	Flat Rate Inspections
842	Meter Reading
843	Uncollectible Accounts

### **4. Administrative and General Expenses**

850	Administrative and General Salaries
851	Office Supplies and Expenses
852	Outside Services Employed
853	Insurance Expense
854	Employees Pensions and Benefits
855	Regulatory Commission Expenses
856	Miscellaneous General Expenses
857	Rents



## **Operation and Maintenance Expenses Accounts**

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### **Operation Expenses**

#### **820 Supervision and Labor**

This account shall include the cost of supervision and labor incurred in the operation of those plant facilities classified as collecting system, collecting system pumping installations, and treatment and disposal plant.

##### Items

1. Cleaning tanks, filter beds, and other equipment
2. Laboratory analysis work
3. Observing and recording flows
4. Operating power and pumping equipment
5. Operating purification equipment
6. Work on customers' premises

#### **821 Power and Fuel for Pumping**

This account shall include the cost of electric power and the cost of fuel purchased for use in the operation of pumping facilities located on the collecting system and at the sewerage treatment and disposal plant.

##### Items

1. Diesel fuel
2. Electric power
3. Gasoline
4. Liquefied propane gas

#### **822 Power and Fuel for Aeration Equipment**

This account shall include the cost of electric power and the cost of fuel for use in the operation of aeration equipment associated with aeration lagoons located at the sewerage treatment and disposal plant.

##### Items

1. Diesel fuel
2. Electric power
3. Gasoline
4. Liquefied propane gas

#### **823 Chlorine**

This account shall include the cost of chlorine chemicals used in the treatment of sewage.

## **Operation and Maintenance Expenses Accounts**

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### 824 Phosphorus Removal Chemicals

This account shall include the cost of chemicals used for the removal of phosphorous in the sewage treatment process.

#### Items

1. Alum
2. Ferric chloride or sulfate
3. Lime
4. Other

### 825 Sludge Conditioning Chemicals

This account shall include the cost of chemicals used in the sewage treatment process to condition sludge for dewatering.

#### Items

1. Alum
2. Ferric chloride
3. Lime
4. Organic polymers
5. Other

### 826 Other Chemicals for Sewage Treatment

This account shall include the cost of all chemicals used in the treatment of sewage except for chlorine, phosphorous removal chemicals, and sludge conditioning chemicals properly chargeable to Accounts 823, 824, and 825, respectively.

### 827 Other Operating Supplies and Expenses

This account shall include the cost of supplies used and expenses incurred in the operation of collection system, collecting system pumping installations and the treatment and disposal plant.

#### Items

1. Building service expenses
2. First-aid supplies and safety equipment
3. General operating supplies such as tools, gaskets, packing, shop towels, gauge glasses, hose, lubricants, indicating lamps, record and report forms, etc.
4. Laboratory supplies
5. Utility service

### 828 Transportation Expenses

- A. This account shall include the cost of labor, materials used, and expenses incurred in the operation and maintenance of general transportation equipment of the utility.

## **Operation and Maintenance Expenses Accounts**

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- B. This account may be used as a clearing account in which event the charges shall be cleared by apportionment to the appropriate operating expense, utility plant, or other accounts on a basis which will distribute the expenses equitably. Credits to this account shall be made in such detail as to permit ready analysis.

### Items

1. Depreciation of transportation equipment
2. Insurance on transportation equipment
3. License fees for vehicles and drivers
4. Rents for transportation equipment
5. Repairs of transportation equipment
6. Supplies such as gas, oil, tires, tubes, grease, etc.

NOTE: Transportation expenses applicable to construction shall not be included in operating expenses.

### 829 Rents

This account shall include the cost incurred for use of property owned by others upon or under which property are located structures or other facilities used in connection with the sewage collection, pumping or treatment, and disposal process.

## **Maintenance Expenses**

### 831 Maintenance of Collection System

This account shall include the cost of labor employed, materials used, and expenses incurred in repairing and maintaining the sewage collection system of mains and laterals.

### 832 Maintenance of Collection System Pumping Equipment

This account shall include the cost of labor employed, materials used, and expenses incurred in repairing and maintaining the sewage collection system pumping stations.

### 833 Maintenance of Treatment and Disposal Plant Equipment

This account shall include the cost of labor employed, materials used, and expenses incurred in repairing and maintaining treatment and disposal plant equipment.

### 834 Maintenance of General Plant Structures and Equipment

This account shall include the cost of labor employed, materials used, and expenses incurred in repairing and maintaining general plant buildings and equipment in operating condition.

## **Operation and Maintenance Expenses Accounts**

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### **Customer Accounting and Collection Expenses**

#### **840 Billing, Collecting and Accounting**

This account shall include the wages of employees, supplies used, and expenses incurred in customer billing and accounting work, collecting customer bills, and miscellaneous work incurred in connection with customer accounting and collecting.

##### Items

1. Address plates and supplies
2. Bookkeeping, clerical and cashier work
3. Collecting
4. Credit investigations
5. Delivering bills
6. Janitor Work
7. Postage
8. Printing of bills
9. Stationery and supplies for keeping customers' accounts

#### **841 Flat Rate Inspections**

Where rates for sewer service to customers are determined on the basis of the number and/or type of plumbing fixtures installed in customers' premises, the size and/or number of rooms, or some basis of a similar nature, this account shall be charged with the cost of labor and expenses incurred in connection with the periodic investigations and inspections, conducted in order to ascertain the consistency or change (if any) in the status of such customers, for the purpose of determining and maintaining an accurate basis for billing.

#### **842 Meter Reading**

Where charges for sewer service are determined on the basis of water meter readings, whether the respective customers are identical with the utility's water service customers (in such instances where the utility also provides water utility service) or the utility shares the cost of a water utility's meter readings for identical customers, this account shall be charged with that portion of the costs of water meter reading allocable to the utility's sewer service activities, or the amount for which it is billed by such water utility.

#### **843 Uncollectible Accounts**

This account shall be charged with losses from, uncollectible accounts or with accruals to provide for anticipated losses from uncollectible utility revenues. Such accruals shall be credited to Account 144, Accumulated Provision for Uncollectible Accounts. If the accrual method is used, losses from uncollectible accounts shall be charged to Account 144.

## **Operation and Maintenance Expenses Accounts**

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### **Administrative and General Expenses**

#### 850 Administrative and General Salaries

This account shall include the salaries of officers of the utility and that portion of the salaries of employees engaged in the general office not chargeable directly to any of the preceding expense accounts.

NOTE: When the duties of an officer or employee include customer accounting and collection work or operational responsibilities his salary should be charged functionally to appropriate accounts on the basis of time devoted to each function.

#### 851 Office Supplies and Expenses

This account shall include the cost of office supplies used and expenses incurred in connection with general and administrative functions of the utility's sewage operations.

##### Items

1. Books and periodicals for office use
2. Heating of general offices
3. Office supplies
4. Postage
5. Printing
6. Stationery
7. Telephone
8. Travel expenses

#### 852 Outside Services Employed

- A. This account shall include the fees and expenses of professional consultants and others for general services, which are not applicable to a particular operating function nor to other accounts. It shall include also the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not considered as an employee of the utility.
- B. This account shall be maintained to permit ready summarization according to the nature of service and the person furnishing the service.

##### Items

1. Fees, pay and expenses of accountants and auditors, actuaries, appraisers, attorneys, engineering consultants, management consultants, negotiators, public relations counsel, tax consultants, etc.
2. Supervision fees and expenses paid under contracts for general management services.

## **Operation and Maintenance Expenses Accounts**

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NOTE: Do not include inspection and brokerage fees and commissions chargeable to other accounts or fees and expenses in connection with security issues, which are included in the expenses of issuing securities.

### 853 Insurance Expense

- A. This account shall include the cost of insurance or reserve accruals: (1) to protect the utility against losses and damages to owned or leased property used in its utility operations; and (2) to protect the utility against injuries and damages claims of employees or others, losses of such character not covered by insurance, and other expenses incurred in settlement of injuries and damages claims.
- B. Recoveries from insurance companies or others for property damages shall be credited to the account charged with the cost of the damage. If the damaged property has been retired, the credit shall be to the appropriate account for accumulated provision for depreciation.
- C. Reimbursements from insurance companies or others for expenses charged on account of injuries and damages and insurance dividends or refunds shall be credited to this account.

### 854 Employee Pensions and Benefits

- A. This account shall include: (1) pensions paid to or on behalf of retired employees, (2) accruals to provide for pensions, (3) payments for the purchase of annuities for the purpose, when the utility has definitely, by contract, committed itself to a pension plan under which the pension funds are irrevocably devoted to pension purposes, and (4) payments for employee accident, sickness, hospital, and death benefits, or related insurance. Include, also, expenses incurred in medical, educational or recreational activities for the benefit of employees and administrative expenses in connection with employee pensions and benefits.
- B. The utility shall maintain a complete record of accruals or payments for pensions and be prepared to furnish full information to the Commission of the plan under which it has created or proposes to create a pension fund and a copy of the declaration of trust or resolution under which the pension plan is established.
- C. There shall be credited to this account the portion of pensions and benefits expenses which is applicable to nonutility operations or which is charged to construction, unless such amounts are distributed directly to the accounts involved and are not included in the first instance.
- D. Records in support of this account shall be maintained so that the total pensions expense, the total benefits expense, the administrative expenses included in this account, and the amounts of pensions and benefits expenses transferred to construction or other accounts will be readily available.

## Operation and Maintenance Expenses Accounts

### Items

1. Accruals for and payments for accident, sickness, hospital, and death benefits or insurance
2. Accruals for or payments to pension funds or to insurance companies for pension purposes
3. Expenses in connection with educational and recreational activities for the benefit of employees
4. Group and life insurance premiums (credit dividends received)
5. Payments to employees incapacitated for service or on leave of absence beyond periods normally allowed, when not the result of occupational injuries, or in excess of statutory awards
6. Payments for medical and hospital services and expenses of employees when not the result of occupational injuries
7. Payment of pensions under nonaccrual or nonfunded basis

NOTE: Salaries paid to employees during periods of nonoccupational sickness may be charged to the appropriate labor account rather than to employee benefits.

### 855 Regulatory Commission Expenses

- A. This account shall include all expenses (except pay of regular employees only incidentally engaged in such work) properly included in utility operating expenses, incurred by the utility in connection with formal cases before regulatory commissions, or other regulatory bodies, or cases in which such a body is a party, including payments made to a regulatory commission for fees assessed against the utility for pay and expenses of such commission, its officers, agents, and employees.
- B. Amounts of regulatory commission expenses which by approval or direction of the Commission are to be spread over future periods, shall be charged to Account 186, Miscellaneous Deferred Debits, and amortized by charges to this account.

### Items

1. Salaries, fees, retainers, and expenses of counsel, solicitors, attorneys, accountants, engineers, clerks, attendants, witnesses, and others engaged in the prosecution of, or defense against petitions or complaints presented to regulatory bodies, or in the valuation of property owned or used by the utility in connection with such cases.
2. Office supplies and expenses, payments to public service or other regulatory commissions, stationery and printing, traveling expenses, and other expenses incurred directly in connection with formal cases before regulatory commissions.

NOTE: Exclude from this account and include in other appropriate operating expense accounts expenses incurred in the improvement of service,

## **Operation and Maintenance Expenses Accounts**

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additional inspection, or rendering reports, which are made necessary by the rules and regulations, or orders, of regulatory bodies.

### **856 Miscellaneous General Expenses**

This account shall include the cost of expenses incurred in connection with the general management of the utility not provided for elsewhere.

#### **Items**

1. Communication service not chargeable to other accounts
2. Contributions for conventions and meetings of the industry
3. Experimental and general research work for the industry
4. Industry association dues for company memberships
5. Institutional or goodwill advertising
6. Miscellaneous labor not elsewhere provided for
7. Public notice of financial, operating, and other data required by regulatory statutes
8. Publishing and distributing annual reports
9. Trustee and registrar fees and expenses.

### **857 Rents**

This account shall include miscellaneous general rents, properly includible in sewage operating expenses, covering the property of others used, occupied or operated in connection with the customer accounting and collecting and the administrative and general functions of the utility.