

DEPARTMENT OF COMMERCE

PUBLIC SERVICE COMMISSION

PRESERVATION OF RECORDS OF ELECTRIC, GAS, AND WATER UTILITIES

(By authority conferred on the public service commission by section 5 of Act No. 419 of the Public Acts of 1919, as amended, and section 4 of Act No. 3 of the Public Acts of 1939, as amended, being §460.55 and 460.4 of the Michigan Compiled Laws)

PART I. GENERAL PROVISIONS

R 460.2501 Scope.

Rule 1. (1) These rules apply to all books of account and other records prepared by or on behalf of the public utility. See rule 82 of these rules for records which come into the possession of the public utility in connection with the acquisition of property, such as a purchase, consolidation, or merger.

(2) These rules shall not be construed as excusing compliance with any other lawful requirement for the preservation of records for periods longer than those prescribed herein. Whenever a gas utility collects rates authorized by this commission based on increased supplier rates collected under bond under the authority of the federal energy regulatory commission (FERC), such utility shall maintain sufficient gas consumption records to enable the calculation of refunds to individual customers as may be ordered by the Michigan public service commission. This requirement shall continue in effect until final action by the federal energy regulatory commission (FERC) or until the final decree of the court, if appealed thereto, and until such time as the Michigan public service commission has entered its order authorizing appropriate refunds if such be the case.

(3) Unless otherwise specified in part 2 of these rules, duplicate copies of records may be destroyed at any time if such duplicate copies do not contain significant information not shown on the originals.

(4) Records other than those listed in part 2 of these rules may be destroyed at the option of the public utility of records that are used in place of those listed will be preserved for the periods prescribed for the records used for substantially similar purposes and if the retention of records pertaining to added services, functions, and plant, the establishment of which cannot be presently foreseen, will conform to the principles embodied herein.

History: 1979 AC; 1980 AACs.

R 460.2502 Designation of supervisory official.

Rule 2. A public utility subject to these rules shall designate 1 or more persons to be officially responsible for the supervision of the utility's program for the preservation and authorized destruction of its records.

History: 1979 AC; 1980 AACCS.

R 460.2503 Protection and storage of records.

Rule 3. The public utility shall provide reasonable protection for records subject to these rules from damage by fires, floods, and other hazards and, in the selection of storage spaces, shall safeguard the records from unnecessary exposure to deterioration from excessive humidity, dryness, or lack of proper ventilation.

History: 1979 AC; 1980 AACCS.

R 460.2504 Index of records.

Rule 4. At each office of a public utility where records are kept or stored, such records as are herein required to be preserved shall be so arranged, filed, and currently indexed that they may be readily identified and made available to representatives of the commission.

History: 1979 AC; 1980 AACCS.

R 460.2505 Preservation of record media generally.

Rule 5. For the purpose of these rules, the data constituting the records listed in part 2 may be retained in any of the media forms in figure 1, if the media selected has a standard life expectancy equal to or in excess of the specified retention period. However, records supporting plant and licensed project cost shall be retained in their original form, unless microfilmed. Media regeneration to achieve the full length of period retention shall not be allowed without commission approval of the request of the company, except in emergency situations. In emergency cases, management shall take prudent action and shall notify the commission immediately thereafter.

(2) If the media form of the record retained is other than a readable paper copy, then reader equipment or printer equipment, or both, and related printout programs, if required, shall be provided by the utility for data reference.

(3) The media form initially selected for the record becomes the “original” for that particular record. If subsequent conditions, such as improved media life expectancy, increased utility resources, or environmental factors, require a change in media forms, and if the remaining retention period permits a change in the media forms, the utility may convert to another media and dispose of its old equipment if the certification processes described in rule 5a are observed and data referencing capability is maintained.

(4) Figure 1 shall read as follows:

<u>Record media form</u>	<u>Media expected life</u>	<u>Comments and standards</u>
1. Paper & card stock (hard copy)	Archival permanency	For each document, paper stock with a life expectancy equal to or greater than the retention period specified for that document shall be selected.
2. Tape magnetic (including videotape)	5 years	Assumes storage in a controlled environment with a temperature and humidity range of 60 degrees Fahrenheit to 80 degrees Fahrenheit and 40% to 60%, respectively. (Refer to specific storage conditions).
Punched	Archival permanency	For each record, tape with a life expectancy equal to or greater than the retention period specified for that record media (paper, mylar, metallic base) shall be selected.
3. Microforms a. Microfilm	Archival permanency	Assumes storage in a controlled environment with a temperature and humidity range of 60 degrees Fahrenheit to 80 degrees Fahrenheit and 40% to 50%, respectively. (Refer to American national standard institute (ANSI) standard no. PH 1.28 – 1969 and PH 5.4 – 1970).
b. Metallic recording data strips	Archival permanency	Same storage conditions as for microfilm.

History: 1979 AC; 1980 AAC.S.

R 460.2505a Preservation of record media; microform and tape certification.

Rule 5a. (1) As the initial recording media, each microform record series shall contain, at the beginning, a microform introduction stating the title of the record series, the date prepared, and the name of the official responsible for validating or confirming the data contained therein. Each microform record series shall be closed with a clear and standard microform notation

indicating the completion of the series and the date. If after validation, supplemental data or corrections, or both, are required, the microform may be produced separately or as a part of the series rerun, but shall be affixed to the original microform certificate as described in this subrule.

(2) As the initial recording media, each tape record series shall be externally labeled and shall include, as a basic part of the program, at the beginning of that series, an introduction stating the record series title, date prepared, the name of the official responsible for validating or confirming the data contained therein, and an index where appropriate. Each record series shall be closed with a clear and standard notation indicating the completion of that series and the date.

(3) As converted from other media, each microform record series shall include as an integral part a certificate or certificates which state that the microforms are direct and facsimile reproductions of the original records and that they have been made in accordance with prescribed instructions. A certificate shall be executed by a person or persons who have personal knowledge of the facts covered thereby.

(4) As converted from other media, each microform record series shall begin and end with a statement as to the nature and arrangement of the records reproduced and the date. Rolls of film shall not be cut. Supplemental or retaken film, whether of misplaced or omitted documents or of portions of microform found to be defective, shall be attached to the beginning of the microform record series and the aforementioned certificate shall cover the supplemental or retaken film and shall state the reasons for the subsequent actions.

(5) If, in accordance with the provisions of rule 5b, the utility elects to convert records to the tape media, the same certification provision specified in subrule (2) shall be provided in the conversion program.

History: 1979 AC; 1980 AACs.

R 460.2505b Preservation of record media; change of media for existing records.

Rule 5b. Records prepared and maintained under previous rules in a paper media whose remaining retention period falls within the life expectancy range of any of the media detailed in figure 1 may be converted to that media at the public utility's or licensee's option, if the applicable certification processes described in rule 5a are observed and an audit referencing capability is maintained.

History: 1979 AC; 1980 AACs.

R 460.2505c Preservation of record media; records created or maintained in a media and format other than readable entries on paper.

Rule 5c.(1) All records created or maintained in a media and a format other than readable entries on paper shall comply with all of the following:

(a) Be prepared, arranged, classified, identified, and indexed to permit the subsequent location, examination, and reproduction of the record as a readable media.

(b) Be stored in a manner that provides reasonable protection from hazards, such as fire, flood, and theft, and be maintained in a controlled environment.

(c) Be regenerated, including proper certification, when damaged.

(2) The utility or company shall be prepared to furnish, at its own expense, standard facilities for reading media and shall additionally provide, if the commission directs, copies of the record in a readable form.

(3) All film stock shall be of approved, operationally permanent, record microcopying type which meets the current specifications of the national bureau of standards.

History: 1979 AC; 1980 AACS.

R 460.2506 Destruction of records.

Rule 6. The destruction of the records permitted to be destroyed under the provisions of these rules may be performed in any manner elected by the public utility concerned. Precautions shall be taken, however, to macerate or otherwise destroy the legibility of records containing information which is forbidden by law from being divulged to unauthorized persons.

History: 1979 AC; 1980 AACS.

R 460.2507 Premature destruction or loss of records.

Rule 7. When any records are destroyed before the expiration of the prescribed period of retention, a certified statement listing, as far as may be determined, the records destroyed and describing the circumstances of accidental or other premature destruction shall be filed with the commission within 90 days from the date of discovery of such destruction. Discovery of the loss of records is to be treated in the same manner as in the case of premature destruction.

History: 1979 AC; 1980 AACS.

R 460.2508. Rescinded.

History: 1979 AC; 1980 AACS.

R 460.2509 Retention periods designated “Destroy at option.”

Rule 9. Use of the retention period, “Destroy at option,” in these rules constitutes authorization for such destruction under the conditions specified for the particular types of records only if such optional destruction is appropriate to limited managerial interest in such records and if such optional destruction is not in conflict with other legal retention requirements or usefulness of such records in satisfying pending regulatory actions or directives.

History: 1979 AC; 1980 AACS.

PART 2. SCHEDULE OF RECORDS AND PERIODS OF RETENTION

R 460.2511 Capital stock records; retention periods.

Rule 11. The following capital stock records shall be retained for the periods listed:

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| (a) Capital stock ledgers or other records showing the same information | 6 years after the stockholder's account is closed. For the purpose of this subdivision, a stockholder's account may be treated as closed account at the time that such stockholder ceases to be a holder of record of the particular class of stock of the company, and the 6-year retention period prescribed herein shall run from that date. If such person subsequently acquires shares of capital stock of the company and thus again becomes a stockholder of the company, the record of such acquisition shall be treated as a new stockholder account. |
| (b) Capital stock subscription accounts, warrants, requests for allotments, and other essential papers related thereto. | 2 years after settlement. |
| (c) Stubs or similar records of capital stock certificate issuance where not used as capital stock ledger record. | 6 years after cancellation of certificate. If this record serves the purpose of a capital stock ledger, subdivision (a) is applicable. |
| (d) Stock transfer registers or sheets or similar records. | 6 years after last entry on page or sheet of the record. |
| (e) Papers pertaining to, or supporting transfers of, capital stock as follows: | |
| (i) Papers that are recorded officially in a court or in the office of some other public recording authority; and other papers presented by any bank or trust company requesting transfers in its capacity as a fiduciary. | Destroy at option or return to stockholder. |
| (ii) Any other papers not described in subdivision (e) (i) of this rule. | 3 years from the date of transfer. |
| (f) Canceled capital stock certificates where not used as capital stock ledger records. | 6 years after cancellation. If this record serves the purpose of a capital stock ledger, subdivision (a) is applicable. |

(g) Change of address notices of stockholders.	Destroy at option after changes are recorded.
(h) Bonds of indemnity and affidavits covering issuances of stock certificates to replace lost certificates.	6 years after expiration of bonds.
(i) Letters, notices, reports, statements, and other communications distributed to all stockholders of a particular class as follows:	
(i) Formal communications addressed to all stockholders of a particular class, including annual reports to stockholders, notices of annual and special meetings of stockholders, and other notices, letters, reports, or statements relating to corporate or stockholder actions.	Life of the corporation.
(ii) Interim reports of operations, speeches of corporate officers and notices of change of corporate address or telephone numbers and similar information.	6 years after the date thereof.
(j) Dividend registers lists or similar records.	6 years.
(k) Paid dividend checks.	6 years.
(l) Third party dividend orders.	6 years after rescission order.

History: 1979 AC; 1980 AACCS.

R 460.2512 Debt security records; retention periods.

Rule 12. The following debt security records shall be retained for the periods listed:

(a) Registered bond and debenture ledgers.	3 years after redemption.
(b) Bond and debenture subscription accounts, warrants, subscription notices, requests for allotment, and essential papers related thereto.	3 years after settlement.
(c) Stubs or similar records of bond and debenture certificates issued.	3 years after redemption.

(d) Papers pertaining to, or supporting transfers of, registered bonds and debentures as follows:

(i) Papers that are recorded officially in a court or in the office of some other public recording authority; and other papers presented by any bank or trust company requesting transfers in its capacity as a fiduciary.

Destroy at option or return to holders of the bonds or debentures.

(ii) Any other papers not described in subdivision (d) (i) of this rule.

3 years after transfer.

(e) Records of bond and debenture the interest coupons paid and unpaid.

Destroy at option in compliance with note under subdivision (h).

(f) Canceled bonds and debentures the and paid interest coupons pertaining thereto.

Destroy at option in compliance with note under subdivision (h).

(g) Trust indentures, loan agreements, or other contracts or agreements securing debt securities issued. (If such papers or documents are included among the records covered by rule 13, this instruction shall not apply).

6 years after redemption.

(h) Copies of reports, statements, letters, or memoranda filed with a trustee or trustees pursuant to provisions of a trust indenture or other security instrument or agreement securing debt securities issued.

6 years after redemption. Destroy at option if the trustee or trustees under such indenture or security instrument are national banks, members of the federal reserve system, or subsidiaries of any such national bank or federal reserve system member bank and if the trustee or trustees have certified to the company that copies of all such documents will be available in the offices of the trustee or trustees for inspection at any time before redemption by holders of debt securities to which such documents relate and for inspection by any federal or state regulatory authority prior to redemption and for an additional period of 6 years after redemption.

Note: Canceled bonds and debentures and paid interest coupons pertaining thereto may be destroyed if a certificate of destruction that gives a full descriptive reference to the documents destroyed is made by the person or persons authorized to perform such destruction

and is retained by the company for the period herein prescribed. The certificate of destruction that evidences the destruction of paid interest coupons pertaining to bonds or debentures need not contain a listing of the bond or debenture serial numbers pertaining to such paid interest coupons. When documents represent debt secured by mortgage, the certificate of destruction shall also be authorized by a representative of the trustee or trustees acting in conjunction with the person or persons destroying the documents or shall have the trustee's or trustees' acceptance thereon. The certificate of destruction may be destroyed 6 years after the payment and discharge of the bonds or debentures or interest coupons described in such certificate.

(i) Paid or canceled debt securities evidencing temporary borrowings.

3 years after payment or cancellation if other records of issuance and payment or cancellation are maintained.

(j) Paid interest checks.

6 years.

The terms "bonds" and "debentures," as used in subdivisions (a) to (f) of this rule, include all debt securities, such as bonds, debentures, or notes other than debt securities which evidence temporary borrowings and which are expected to be repaid out of the proceeds of the sale of longer term securities. Typical of such temporary debt securities as described in subdivision (i) are notes issued to banks evidencing temporary working capital and construction and gas storage loans.

History: 1979 AC; 1980 AACS.

R 460.2513 Authorization records from regulatory bodies for issuance of securities; retention periods.

Rule 13. The following authorization records from regulatory bodies for issuance of securities shall be retained for the periods listed:

(a) Copies of applications to regulatory bodies for authority to issue stocks, bonds, and other securities, including copies of exhibits in support of such applications.

25 years or until all securities covered are retired, whichever is shorter. If a retention period is prescribed elsewhere in the schedule with respect to any document which is included as an exhibit to any filing retained pursuant to the requirements of this subdivision, the company need retain only 1 copy of such document in its files if appropriate cross-references are established.

(b) Official copies of opinions and orders of regulatory bodies granting authority to issue securities.

Until securities covered are retired.

(c) Reports filed with regulatory bodies in compliance with authorizations to issue securities. File copies of such reports and supporting papers.

Until securities covered are retired.

History: 1979 AC; 1980 AACS.

R 460.2514 Copies of registration statements and other data filed with the securities and exchange commission; retention periods.

Rule 14. The following copies of registration statements and other data filed with the securities and exchange commission shall be retained for the periods listed:

(a) Copies of registration statements and other data in connection with offerings of securities for sale to the public or the listing of securities on exchanges, including supporting papers.

25 years or until all securities covered are retired, whichever is shorter. If a retention period is prescribed elsewhere in the schedule with respect to any document which is included as an exhibit to any filing retained pursuant to the requirements of this subdivision, the company need retain only 1 copy of such document in its files, if appropriate cross-references are established.

(b) Copies of periodic reports and supporting papers filed in compliance with either the securities act of 1933 or the securities exchange act of 1934.

25 years. If a retention period is prescribed elsewhere in the schedule with respect to any document which is included as an exhibit to any filing retained pursuant to the requirements of this subdivision, the the company need retain only 1 copy of such document in its files, if appropriate cross- references are established.

History: 1979 AC; 1980 AACS.

R 460.2515 Proxies and voting lists; retention periods.

Rule 15. Proxies and voting lists shall be retained for the periods listed:

- (a) Proxies of holders of voting securities. 1 year.
- (b) Lists of holders of voting securities represented at meetings. 1 year.

History: 1979 AC; 1980 AACCS.

R 460.2516 Minute books; retention period.

Rule 16. Minute books of stockholders', directors', and directors' committee meetings shall be retained for the life of the corporation.

History: 1979 AC; 1980 AACCS.

R 460.2517 Title papers, charters, franchises, licenses, formal orders; retention periods.

Rule 17. The following documents shall be retained for the periods listed:

- (a) Deeds and other title papers, including abstracts of title and supporting data. 6 years after property is disposed of, unless surrendered to transferee.
- (b) Corporate charters or certificates of incorporation. Life of the corporation.
- (c) Franchises and certificates authorizing operation as a public utility. Life of the corporation.
- (d) Licenses, including amendments thereof, granted by federal or state authorities for construction and operation of utility plant. 25 years.
- (e) Copies of formal orders of regulatory commissions served upon the utility. Life of the corporation.

History: 1979 AC; 1980 AACCS.

R 460.2518 Permits; retention periods.

Rule 18. The following permit records shall be retained for the periods listed:

- (a) Permits and granted applications for the use of facilities of others. 6 years after expiration or cancellation.

(b) Copies of permits and applications granted others for the use of the utility's facilities. 6 years after expiration or cancellation.

(c) Applications for the use of facilities not granted and copies of such applications. Destroy at option.

(d) Permits of a temporary nature from municipalities or others to perform specific work, such as permits to open streets. Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2519 Contracts and agreements; retention periods.

Rule 19. Except as provided elsewhere in these rules, the following contract and agreement records shall be retained for the periods listed:

(a) Service contracts, such as for management, accounting, and financial services. See rule 22(b)(i) if they affect cost of plant; otherwise, 6 years after expiration or cancellation.

(b) Contracts with other utilities for the purchase, sale, or interchange of product. 6 years after expiration or cancellation.

(c) Leases pertaining to rentals of property to or from others. 6 years after expiration or cancellation.

(d) Contracts and agreements with individual employees, labor unions, company unions, and other employee organizations relative to wage rates, hours, and similar matters. 6 years after expiration or cancellation.

(e) Contracts, agreements, and other essential records necessary to the carrying out of the functions of an employee's stock purchase or other type of employees' saving plan. 6 years after expiration or cancellation.

(f) Memoranda essential to clarifying or explaining provisions of contracts listed above. For same periods as contracts to which they relate.

(g) Card or book records of contracts leases, and agreements made, which show dates of expirations, dates of renewals, memoranda of receipts, and payments under such contracts, leases, and agreements.

For same periods as contracts to which they relate.

(h) Contracts or agreements for the acquisition or disposal of investments, excluding temporary cash investments.

25 years after disposal.

History: 1979 AC; 1980 AACS.

R 460.2520 General and subsidiary ledgers; retention periods.

Rule 20. The following ledger records shall be retained for the periods listed:

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| (a) General ledgers. | 50 years. |
| (b) Ledgers subsidiary or auxiliary to general ledgers, except ledgers provided for elsewhere. | 50 years. |
| (c) Indexes to general ledgers. | 50 years. |
| (d) Indexes to subsidiary ledgers except ledgers provided for elsewhere. | 50 years. |
| (e) Trial balance sheets of general and subsidiary ledgers. | 2 years. |

History: 1979 AC; 1980 AACS.

R 460.2521 Journals; retention period.

Rule 21. General and subsidiary journals, including departmental and divisional journals shall be retained for a period of 50 years.

History: 1979 AC; 1980 AACS.

R 460.2522 Journal vouchers and entries; retention periods.

Rule 22. The following journal voucher and entry records shall be retained for the periods listed:

(a) General, departmental, divisional, and petty journal vouchers.

50 years.

(b) Materials and supplies disbursement, labor distribution, and other detail summarization and distribution records which support journal vouchers or journal entries as follows:

(i) Charging plant accounts.

6 years, if accounting adjustments resulting from reclassification and original cost studies have been approved by the regulatory commissions having jurisdiction and if continuing plant inventory records are maintained or unitization of construction costs appear in work orders; otherwise 25 years. For licensed projects, time tickets and material issued and material returned tickets may be destroyed at option if the basic information contained thereon is transcribed to other records and if such other records are retained in accordance with this instruction. Basic information as regards time tickets includes, at a minimum, for the purpose of this instruction, hours worked and the distribution of time to the proper job or account.

(ii) Charging all other accounts.

6 years.

(c) Papers forming part of, or necessary to explain, journal vouchers or journal entries, except as covered in rule 22(b).

50 years.

(d) Schedules for recurring journal Entries.

Destroy when superseded.

(e) Lists of standard journal entry numbers.

Destroy when superseded.

History: 1979 AC; 1980 AACS.

R 460.2523 Cash books; retention periods.

Rule 23. The following cash book records shall be retained for the periods listed:

(a) Treasurer and auditor general cash books.

3 years.

(b) Cash books subsidiary or auxiliary to general cash books, except those showing only collections from customers. 3 years.

(c) Subsidiary cash records showing only customer collections. 3 years.

(d) Other cash records of a memorandum nature. 3 years.

History: 1979 AC; 1980 AACS.

R 460.2524 Vouchers and voucher registers; retention periods.

Rule 24. (1) The following voucher records shall be retained for the periods listed:

(a) Paid and canceled vouchers (1 copy) analysis sheets showing detailed distribution of charges on individual vouchers and other supporting papers. 6 years (see rule 22(b)(i) and (ii)), except that those relating to the construction of licensed projects, additions or betterment thereto, or the amortization reserve applicable thereto, for which the commission has not determined the actual legitimate original cost, shall be retained until such cost has been determined.

(b) Original bills and invoices for materials and services paid by vouchers. 6 years (see rule 22(b)(i) and (ii)), except that those relating to the construction of licensed projects, additions or betterment thereto, or the amortization reserve applicable thereto, for which the commission has not determined the actual legitimate original cost, shall be retained until such cost has been determined.

(c) Paid checks and receipts for payments by voucher or otherwise. 6 years.

(d) Authorization for the payment of specific vouchers. 6 years (see rule 22 (b), (i) and (ii)).

(e) Lists of unaudited bills (accounts payable), lists of vouchers transmitted, and memoranda regarding changes in unaudited bills. Destroy at option.

(f) Voucher indexes. 6 years.

History: 1979 AC; 1980 AACS.

(2) Voucher registers or similar records shall be retained for a period of 6 years (See rule 22(b), (i) and ii)).

R 460.2525 Rescinded.

History: 1979 AC; 1980 AACS.

R 460.2526 Accounts receivable; retention periods.

Rule 26. The following accounts receivable records shall be retained for the periods listed (see rules 53 and 54 for accounts with customers for utility service and merchandise sales):

(a) Records of accounts receivable pertaining to sales of utility plant. 3 years after settlement.

(b) Record or register of accounts receivable and indexes thereto and summaries of distribution. 3 years after settlement.

(c) Accounting department copies of invoices issued and supporting papers which do not accompany the original invoices and authorizations for charges, including supporting papers. 3 years after settlement.

(d) Periodic statements of unsettled accounts, except trial balances. Destroy at option.

(e) Schedule of invoices to be issued. Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2527 Records of securities; retention period.

Rule 27. Records of securities owned, in treasury, or with custodians shall be retained for a period of 6 years after the disposal of investment.

History: 1979 AC; 1980 AACS.

R 460.2528 Insurance records; retention periods.

Rule 28. The following insurance records shall be retained for the periods listed:

(a) Records of insurance policies which are in force and which show coverage, premiums paid, and expiration dates.

Destroy at option after expiration of such policies.

(b) Insurance policies.

Destroy at option after expiration of policies.

(c) Records of amounts recovered from insurance companies in connection with losses and of claims against insurance companies, including reports of losses and supporting papers.

6 years, except those relating to the construction of licensed projects, additions or betterment thereto, or the amortization reserve applicable thereto, for which the commission has not determined the actual legitimate original cost, shall be retained until such cost has been determined.

(d) Inspector reports and records of the condition of property.

Until superseded.

(e) Insurance maps of property and structures erected thereon.

Until superseded.

(f) Records and statements relating to insurance requirements.

Destroy at option.

History: 1979 AC; 1980 AACCS.

R 460.2529 Tax records; retention periods.

Rule 29. The following tax records shall be retained for the periods listed:

(a) Copies of schedules, returns, and supporting working papers to taxing authorities and records of appeals of the following:

(i) Federal income, excess profits, undistributed income, and capital stock taxes.

7 years after settlement.

(ii) State income taxes and state or local property taxes.

7 years after settlement.

(iii) Other taxes.

2 years after settlement.

(iv) Schedule of allocation of consolidated federal income taxes to subsidiary companies.

7 years after allocation.

(v) Records of annual determinations of deferred taxes on income, annual determinations of accounting adjustments for "reserve deferrals" of deferred taxes on income, together with basic computations and records of annual plant additions and retirements and adjustments on which deferred tax accounting

6 years after absorption of deferred credits.

entries are based. For the purposes of this rule, “deferred taxes” and “deferred tax accounting” embrace provisions for “future taxes on income,” “prepaid taxes on income, or any other accounting procedure which attributes a tax on income to a year or years other than that of the specific year’s tax return determining the tax liability.

(b) Tax bills from taxing authorities and receipts for payment. See rule 24 (1)(b).

(c) Summaries of taxes paid by classes of taxes and by location. 6 years.

(d) Summaries of taxes paid by taxing districts. 6 years.

(e) Restatements of schedules of taxes paid after giving effect to refunds and additional assessments. 6 years.

History: 1979 AC; 1980 AACS.

R 460.2530 Accountants and auditor reports; retention periods.

Rule 30. The following accountant and auditor reports shall be retained for the periods listed:

(a) Reports of examinations and audits by accountants and auditors not in the regular employ of the utility, including reports of public accounting firms and regulatory commission accountants. 7 years after date of report or commission audit, whichever comes last.

(b) Internal audit reports and working papers. 3 years.

History: 1979 AC; 1980 AACS.

R 460.2531 Automatic data processing record; retention periods.

Rule 31. (1) The following automatic data processing records shall be retained for the periods listed:

(a) Punched cards, tapes, or similar media used as intermediate records or steps in data processing for assembling data to be posted to Destroy at option.

the records of the company or used in a report or study.

(b) Program documentation and revisions thereto.

Retain as long as it represents an active viable program or for periods prescribed for related output data, whichever is shorter.

History: 1979 AC; 1980 AACS.

(2) Original source data used as input for data processing and data processing report printouts shall be retained for the applicable periods prescribed elsewhere in the schedule. Plant and accumulated provision for depreciation.

R 460.2532 Plant ledgers; retention periods.

Rule 32. The following plant ledgers and records shall be retained for the periods listed:

(a) Ledgers of utility plant accounts, including land and other detailed ledgers that show the cost of utility plant by classes.

50 years.

(b) Continuing plant inventory ledger, book, or card records that show the description, location, quantity cost, and similar information of physical units(or items) of utility plant owned.

6 years after plant is retired provided mortality data are retained. For depreciation purposes, life or mortality study data shall be retained for the life of the corporation.

History: 1979 AC; 1980 AACS.

R 460.2533 Construction ledgers, work orders, and supplemental records; retention periods.

Rule 33. The following construction work in progress ledgers, work orders, and supplemental records shall be retained for the periods listed:

(a) Construction work in progress ledgers.

10 years after clearance to the plant account if continuing plant inventory records are maintained; otherwise, 6 years after plant is retired.

(b) Work order sheets which show entries for labor, materials, and other charges for utility plant additions, and entries closing the work orders for utility plant in service at completion.

10 years after clearance to the plant account if continuing plant inventory records are maintained; otherwise, 6 years after plant is retired.

(c) Authorizations for expenditures for additions to utility plant, including memoranda that show the detailed estimates of cost and the basis therefore. Original and revised or

10 years.

subsequent authorizations shall be included.

(d) Requisitions and registers of authorizations for utility plant expenditures. 10 years.

(e) Completion or performance reports that show the comparison between authorized estimates and actual expenditures for utility plant additions. 10 years.

(f) Analysis or cost reports that show quantities of materials used, unit costs, number of man-hours, and similar information in connection with completed construction projects. 10 years after clearance to the plant account if continuing plant inventory records are maintained; otherwise, 6 years after plant is retired.

(g) Records and reports that pertain to the progress of construction work, the order in which jobs are to be completed, and similar records that do not form a basis of entries to the accounts. Destroy at option.

(h) Records of gas acreage owned, leased, or optioned; lease records; well-drilling logs and well-construction records; and geological and photographic maps of field. 50 years.

History: 1979 AC; 1980 AACCS.

R 460.2534 Retirement ledgers, work orders, and supplemental records; retention periods.

Rule 34. The following retirement work in progress ledgers, work orders, and supplemental records shall be retained for the periods listed:

(a) Work order sheets which have the entries for removal costs, materials recovered, and credits to utility plant accounts for cost of plant retired posted to them. 10 years after plant is retired if mortality data are retained.

(b) Authorization for retirement of utility plant, including memoranda that show the basis for the determination of the cost of plant to be retired and estimates of salvage and removal costs. 10 years after clearance to the plant account if continuing plant inventory records are maintained; otherwise, 6 years after plant is retired, if mortality data are retained.

(c) Registers of retirement work orders. 10 years.

History: 1979 AC; 1980 AACS.

R 460.2535 Additional plant account records; retention periods.

Rule 35. Summary sheets, distribution sheets, reports, statements, and papers that directly support debits and credits to utility plant accounts that are not covered by construction or retirement work orders and their supporting records shall be retained for a period of 10 years after clearance to the plant account if continuing plant inventory records are maintained; otherwise, 6 years after plant is retired.

History: 1979 AC; 1980 AACS.

R 460.2536 Appraisals and valuations; retention period.

Rule 36. Appraisals and valuations made by the company of its properties or investments or of the properties or investments of any associated companies, including all records essential thereto, shall be retained for a period of 3 years after disposition, termination of lease, or write-off of the property investment.

History: 1979 AC; 1980 AACS.

R 460.2537 Maps; retention period.

Rule 37. Maps and map reproductions that show the location and physical characteristics of production, transmission, and distribution systems of the utility shall be retained until the map is superseded or until 6 years after plant is retired, if mortality data are retained.

History: 1979 AC; 1980 AACS.

R 460.2538 Construction project engineering records; retention period.

Rule 38. (1) If a construction project is wholly or partially completed, maps or map reproductions, diagrams, profiles, plans, photographs, records of engineering studies, and similar records in connection with the project shall be retained until these records are superseded or until 6 years after plant is retired, if mortality data are retained.

(2) If construction of the project does not result, the records may be destroyed at option after completely accounting for all expenses incurred.

History: 1979 AC; 1980 AACS.

R 460.2539 Utility plant contracts and agreements; retention periods.

Rule 39. The following contracts and other agreements that relate to utility plant shall be retained for the periods listed:

- (a) Contracts relating to the acquisition or sale of plant. 6 years after plant is retired.

(b) Contracts and other agreements that relate to services performed in connection with the construction of utility plant, including contracts for the construction of plant by others for the utility and contracts for supervision and engineering relating to construction work.

6 years after plant is retired.

History: 1979 AC; 1980 AACCS.

R 460.2540 Account reclassification records; retention period.

Rule 40. Records that pertain to reclassifications of utility plant accounts to conform to prescribed systems of accounts, including supporting papers that show the basis for such reclassifications shall be retained for a period of 6 years. (See rule 22 (b) (i)).

History: 1979 AC; 1980 AACCS.

R 460.2541 Depreciation and depletion reserve records; retention periods.

Rule 41. The following records of reserve for depreciation and depletion of utility plant shall be retained for the periods listed:

(a) Detailed records or analysis sheets that segregate the depreciation reserve according to functional classification of plant. 25 years.

(b) Records that support computation of depreciation and depletion expense of utility plant, including such data as life and salvage studies. 25 years.

History: 1979 AC; 1980 AACCS.

Treasury records

R 460.2542 Statements of funds and deposits: retention periods.

Rule 42. The following fund and deposit statement records shall be retained for the periods listed:

(a) Summaries and periodic statements of cash balances on hand and with depositories. Destroy at option.

(b) Statement of manager and agent cash balances on hand and with depositories. Destroy at option.

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| (c) Authorizations for and statements of the transfer of funds from one depository to another. | Destroy at option. |
| (d) Requisitions and receipts for funds furnished to managers, agents, and others. | Destroy at option after funds have been returned or accounted for. |
| (e) Records of fidelity bonds of employees and others responsible for funds of the utility. | Until liability of bonding company has expired. |
| (f) Reports and estimates of funds required for general and special purposes. | Destroy at option. |

History: 1979 AC; 1980 AACCS.

R 460.2543 Deposit records; retention periods.

Rule 43. The following deposit records shall be retained for the periods listed:

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| (a) Bank deposit books. | 1 year. |
| (b) Copies of bank deposit slips. | 1 year. |
| (c) Advice of deposits made when information thereon is shown on other records which are retained. | Destroy at option. |
| (d) Statements from depositories that show the details of funds received, disbursed, and transferred and balances on deposits. | Destroy at option. |
| (e) Bank reconciliation papers. | 1 year. |
| (f) Statements from banks of interest credits. | 1 year. |
| (g) Check stubs, registers, or other records of checks issued. | 6 years. |
| (h) Correspondence and memoranda that relate to the stopping of payment of bank checks and to the issuance of duplicate checks. | 6 years or destroy at option after check is recovered. |

History: 1979 AC; 1980 AACCS.

R 460.2544 Receipt and disbursement records; retention periods.

Rule 44. The following receipt and disbursement records shall be retained for the periods listed:

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|---|--------------------|
| (a) Daily or other periodic statements of receipts or disbursements of funds. | 2 years. |
| (b) Records or periodic statements of outstanding vouchers, checks, drafts, issued and not presented. | 2 years. |
| (c) Reports of associates that show working fund transactions and summaries thereof. | Destroy at option. |
| (d) Reports of revenue collections by field cashiers and pay stations. | Destroy at option. |

History: 1979 AC; 1980 AACS.

Revenue accounting and collecting records

R 460.2545 Customer service applications and contracts; retention periods.

Rule 45. The following customer service applications and contracts shall be retained for the periods listed:

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| (a) Applications for utility service for which contracts have been executed. | Destroy at option. |
| (b) Applications for utility service used in place of contracts. | 1 year. |
| (c) Contracts and card files, or other records thereof, with customers for utility service. (See also rule 9 (b)). | 1 year after expiration or cancellation. |
| (d) Applications for utility service which were withdrawn by the applicant or not granted by the utility. | 1 year. |
| (e) Contracts or sales agreements with customers and others for the sale of merchandise and appliances. | 1 year after sales agreement is discharged. |

(f) Contracts for the lease of equipment to customers, including receipts for same. 1 year after expiration of contract or return of equipment.

(g) Applications and contracts for extensions covered by refundable deposits or guarantees of revenue and records that pertain to such contracts. 1 year after entire amount is refunded.

(h) Applications and contracts for extensions for which donations or contributions are made by customers or others. 50 years.

History: 1979 AC; 1980 AACS.

R 460.2546 Rate schedules; retention periods.

Rule 46. The following rate schedule records shall be retained for the periods listed:

(a) General files of published rate sheets and schedules of utility service, including schedules suspended or superseded. 50 years.

(b) Regional or local office copies of rate sheets and schedules of utility service. 1 year after expiration or cancellation.

History: 1979 AC; 1980 AACS.

R 460.2547 Customer guarantee deposit records; retention periods.

Rule 47. The following customer guarantee deposit records shall be retained for the periods listed:

(a) Customer deposit ledgers or card records. 6 years after refund.

(b) Customer deposit certificate books. 6 years after refund.

(c) Receipts for refunded customer deposits. 6 years after refund.

(d) Receipts for interest on customer deposits. 6 years after refund.

History: 1979 AC; 1980 AACS.

R 460.2548 Meter reading sheets and records; retention periods.

Rule 48. The following meter reading sheets and records shall be retained for the periods listed:

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| (a) Superseded meter reading sheets. | 2 years or as necessary to comply with service rules regarding refunds on fast meters. |
| (b) Meter reread sheets (special readings to check high or low consumption). | 1 year. |
| (c) Customer reading cards. | 1 year. |
| (d) Connection and disconnection orders. | 1 year. |
| (e) Superseded indexes to meter books. | Destroy at option. |
| (f) Mark sensed meter reading cards. | Destroy at option after transferring data to other records. |
- Note: If a gas utility collects rates authorized by this commission based on increased supplier rates collected under bond under authority of the federal energy regulatory commission, such utility shall maintain sufficient gas consumption records to enable the calculation of refunds to individual customers as may be ordered by the Michigan public service commission. This requirement shall continue in effect until final action by the federal energy regulatory commission or the final decree of the court, if appealed thereto, and until such time as the Michigan public service commission enters its order authorizing appropriate refunds if such be the case.

History: 1979 AC; 1980 AACS.

R 460.2549 Charts and demand meter record cards; retention period.

Rule 49. Maximum demand, pressure, temperature, and specific gravity charts and demand meter record cards shall be retained for a period of 1 year, except that if charts are exchanged with the customer and the basic chart information is transferred to another record, the charts need only be retained 6 months if the record containing the basic data is retained 1 year.

History: 1979 AC; 1980 AACS.

R 460.2550 Miscellaneous billing data; retention periods.

Rule 50. The following billing data shall be retained for the periods listed:

- (a) Billing department copies of contracts with customers (in addition to contracts in general files). Destroy at option.
- (b) Service and inspection orders from which customers are charged and sundry charge advices. 1 year.
- (c) Authorizations for charges under utility service contracts. 1 year after expiration of contract.
- (d) Standard billing sheets or schedules that show computed bills of varying consumption according to rates. Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2551 Revenue summaries; retention. periods.

Rule 51. The following revenue summaries shall be retained for the periods listed:

- (a) Summaries of monthly operating revenues according to classes of service for the entire utility. 6 years.
- (b) Summaries of monthly operating revenues according to classes of service by towns, districts, or regions, including summaries of forfeited discounts and penalties. 6 years.

History: 1979 AC; 1980 AACS.

R 460.2552 Customer ledgers and records used in place of ledgers; retention periods.

Rule 52. The following customer ledgers and other records used in place of ledgers shall be retained for the periods listed:

- (a) Customer ledgers. 2 years or as necessary to comply with service rules regarding refunds on fast meters.
- (b) Records used in place of customer ledgers, such as bill summaries, registers, and bill stubs. 2 years or as necessary to comply with service rules regarding refunds on fast meters.
- (c) Copies of large bills:
 - (i) If details are transcribed to ledgers covered by subdivision (a) of this rule. Destroy at option.
 - (ii) If details are not transcribed to 2 years.

ledgers.

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| (d) Trial balances of ledgers referred to in this rule. | 1 year. |
| (e) Indexes to customer accounts. | 2 years. |
| (f) Change of address notices. | Destroy at option. |
| (g) Cards and other records relating to forfeited discounts. | 2 years. |

History: 1979 AC; 1980 AACS.

R 460.2553 Merchandise sales accounting and collecting records; retention periods,

Rule 53. The following merchandise sales accounting and collecting records shall be retained for the periods listed:

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| (a) Merchandise sales tickets (duplicates) and charge slips for work done. | Destroy at option after annual audit and 6 months after account is settled. |
| (b) Merchandise sales journals or registers and summaries of sales. | 3 years. |
| (c) Merchandise ledgers and installment records. | 1 year after completion of payments. |
| (d) Merchandise sales returns and adjustment tickets. | Destroy at option after annual audit and 6 months after account is settled. |
| (e) Cashier stubs for merchandise collections. | 1 year. |
| (f) Cashier periodic reports and statements of collections on merchandise accounts. | 1 year. |
| (g) Records of monthly statements to customers. | Destroy at option. |
| (h) Reports relating to the status of merchandise accounts receivable. | 1 year. |
| (i) Job orders and supporting details of charges to customers for work done. | 3 years. |

(j) Indexes and trial balances of merchandise ledgers. 1 year.

History: 1979 AC; 1980 AACS.

R 460.2554 Collection reports and records; retention periods.

Rule 54. The following collection reports and records shall be retained for the periods listed:

(a) Periodic reports, lists, and summaries of collections of operating revenues by collectors, agents, and local, regional, or district offices. (See rule 44(d)). Destroy at option.

(b) Bill stubs, copies of bills, collection slips, and other records which pertain to collections that are summarized or detailed in daily or periodic cash reports. 6 months.

(c) Memorandum records of remittances from local or branch offices. 6 months.

Note: See rule 43 pertaining to deposits of cash with banks. Rule 43 applies to all bank accounts whether at general, local, or regional offices.

History: 1979 AC; 1980 AACS.

R 460.2555 Customer account adjustments; retention periods.

Rule 55. The following customer account adjustment records shall be retained for the periods listed:

(a) Detailed records that pertain to adjustments of customer accounts for overcharges, undercharges, and other errors, the results of which have been transcribed to other records. 1 year.

(b) Detailed records of high bill complaints whether or not the complaints resulted in adjustments to customer accounts. 1 year.

History: 1979 AC; 1980 AACS.

R 460.2556 Uncollectible accounts and customer credit records; retention periods.

Rule 56. The following uncollectible account and customer credit records shall be retained for the periods listed:

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|--|---------------------------------|
| (a) Records of ratings, credit classifications, and investigations of customers. | Destroy at option. |
| (b) Ledger accounts and supporting details of customer accounts that are considered to be uncollectible. | For period legally collectible. |
| (c) Reports and statements that show the age and status of customer accounts. | 1 year. |
| (d) Data on unpaid final bills. | 1 year. |
| (e) Authorization for writing off customer accounts. | 3 years. |

History: 1979 AC; 1980 AACS.

Payroll and personnel records

R 460.2557 Payroll records; retention periods.

Rule 57. The following payroll records shall be retained for the periods listed:

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| (a) Payroll sheets or registers of payments of salaries and wages to individual officers and employees. (See subdivision (j) for pension or annuity payrolls and rule 33(a) for construction payrolls). | 6 years. |
| (b) Records that show the distribution of salaries and wages paid to officers and employees for each monthly, semi-monthly, or weekly payroll period and summaries or recapitulation statements of such distribution. | See rule 22(b). |
| (c) Time tickets, time sheets, time books, time cards, worker reports, and other records that show hours worked, description of work, and accounts to be charged. | See rule 22(b). |

- | | |
|--|--|
| (d) Paid checks, receipts for wages paid in cash, and other evidences of payments for services rendered by employees. | 3 years. |
| (e) Applications and authorizations for changes in wage and salary rates, summaries and reports of changes in payrolls, and similar records. | 3 years. |
| (f) Applications for payroll changes not authorized. | Destroy at option. |
| (g) Payroll authorizations and records of authorized positions. | 3 years. |
| (h) Records of deductions from payrolls. | Destroy at option. |
| (i) Comparative or analytical statements of payrolls. | Destroy at option. |
| (j) Pension or annuity payrolls. | 6 years. |
| (k) Pension paychecks. | 3 years. |
| (l) Employee individual earning records. | 6 years after termination of employment. |

History: 1979 AC; 1980 AACS.

R 460.2558 Assignments, attachments, and garnishments; retention period.

Rule 58. Records of assignments, attachments, and garnishments of employee salaries, including files of notices pertaining thereto, may be destroyed at option. Minors' salary releases may also be destroyed at option.

History: 1979 AC; 1980 AACS.

R 460.2559 Personnel records; retention periods.

Rule 59. The following personnel records shall be retained for the periods listed:

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| (a) Employee service records, length of service, and other pertinent data. | 3 years after termination of employment. |
| (b) Applications for employment, requests for medical examination, medical examiner's report, photographs and other identification | Destroy at option. |

records, and other miscellaneous records pertaining to the hiring of employees.

History: 1979 AC; 1980 AACS.

R 460.2560 Welfare and pension records; retention periods.

Rule 60. The following employee welfare and pension records shall be retained for the periods listed:

(a) Records pertaining to employee recreational, educational, and hospital benefits, accident prevention, and similar activities. Destroy at option.

(b) Detailed records that show computations of accruals for pension liabilities. 25 years.

History: 1979 AC; 1980 AACS.

R 460.2561 Instructions; retention periods.

Rule 61. The following instructions to employees and others shall be retained for the periods listed:

(a) Bulletins or memoranda of general instructions issued by the company to employees which pertain to changes in accounting, engineering, operating, maintenance, and construction policies. 10 years after expiration or supersession.

(b) Bulletins or memoranda of general instructions issued by the company to employees which pertain to accounting, engineering, operating, maintenance, and construction methods and procedures. Destroy at option after expiration or supersession.

(c) Notices to employees on matters of discipline, department, and other similar subjects. Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2562 Organization diagrams and charts; retention period.

Rule 62. Organization diagrams and charts may be destroyed at option.

Purchase and store records.

History: 1979 AC; 1980 AACs.

R 460.2563 Purchase records; retention periods.

Rule 63. The following purchase records shall be retained for the periods listed:

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| (a) Advices or requisitions from storekeepers and others for the purchase of materials, supplies, or services. | Destroy at option. |
| (b) Bids received from vendors in connection with the purchase of materials and supplies. | 3 years. |
| (c) Purchasing department copies of purchase orders and specifications of materials ordered. | 3 years. |
| (d) Contracts for the purchase of materials and supplies: | |
| (i) Contracts for materials used directly in construction. | 6 years. (See rule 22(b)(i)). |
| (ii) Contracts for other materials. | 6 years. (See rule 22(b)(ii)). |
| (e) Purchasing department copies of invoices for materials and supplies. (See rule 24(l)(b) for original invoices). | Destroy at option. |
| (f) Registers or similar records of invoices. | 3 years. |
| (g) Price records or indexes of purchases. | Destroy at option. |
| (h) Advices from vendors that acknowledge receipt of orders for materials and supplies, notices of shipment, packing slips, and copies of bills of lading. | Destroy at option. |
| (i) Receipts or delivery tickets issued for materials and supplies received in installments and subsequently surrendered with, and in support of, invoices or bills that cover complete purchases. | Destroy at option. |
| (j) Demurrage or car records that show | Destroy at option. |

periods that freight cars are held on company sidings.

(k) Copies of notices to vendors for materials and supplies returned for credit and repair. Destroy at option.

(l) Lists or records of invoices transmitted to or from storekeepers. Destroy at option.

(m) Records and reports used for checking and tracing materials and supplies covered by invoices provided for in subdivision (e) of this rule. Destroy at option.

History: 1979 AC; 1980 AACCS.

R 460.2564 Material ledgers; retention periods.

Rule 64. The following material ledger records shall be retained for the periods listed:

(a) Ledger sheets and card records of materials and supplies received, issued, and on hand. See rule 22 (b).

(b) Statements of materials and supplies on hand, per ledger. Destroy at option after completion of annual audit by independent accountants.

History: 1979 AC; 1980 AACCS.

R 460.2565 Records of materials and supplies received and issued; retention periods.

Rule 65. The following records of materials and supplies received and issued shall be retained for the periods listed:

(a) Records and reports that pertain to the receipt of materials and supplies. Destroy at option after completion of annual audit by independent accountants.

(b) Records of inspecting and testing materials and supplies. Destroy at option.

(c) Records that show the detailed distribution of materials and supplies issued during accounting periods. See rule 22(b).

(d) Material disbursement tickets that show quantities, unit prices, and accounts to be charged for materials and supplies issued for stores for use. See rule 22(b).

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|---|--|
| (e) Materials returned credit slips which show details of materials returned to stock. | See rule 22(b). |
| (f) Requisitions and receipts for materials and supplies issued, with the details of the issues set forth in the material disbursement tickets. | Destroy at option. |
| (g) Records and reports of materials and supplies transferred from one department, storeroom, or region to another. | Destroy at option. |
| (h) Records and reports of materials recovered and returned to stock if transcribed to records covered by subdivision (c) of this rule. | Destroy at option. |
| (i) Records and reports of materials and supplies to individuals or gangs of employees to be accounted for when used or returned to stock. | Destroy at option after being accounted for. |
| (j) Minor records and reports that pertain to materials and supplies which do not involve costs or final disposition, such as reports of unfilled requisitions, authorizations for additions to stock, and similar records; also, storeroom copies of purchase orders and price records, other copies being retained in files of the purchasing department. | Destroy at option. |

History: 1979 AC; 1980 AACS.

R 460.2566 Records of sales of scrap and materials and supplies; retention periods.

Rule 66. The following records of sales of scrap and materials and supplies shall be retained for the periods listed:

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|---|--------------------|
| (a) Authorizations for the sale of scrap and materials and supplies. | 3 years. |
| (b) Contracts for the sale of scrap and materials and supplies. | 3 years. |
| (c) Memoranda pertaining to the sale of scrap and materials and supplies. | Destroy at option. |

History: 1979 AC; 1980 AACS.

R 460.2567 Inventories of materials and supplies; retention periods.

Rule 67. The following inventory records shall be retained for the periods listed:

(a) General inventories of materials and supplies on hand with records of adjustments of accounts required to bring store records into agreement with physical inventories. Destroy at option after completion of annual audit by independent accountants.

(b) Stock cards, inventory cards, and other detailed records that pertain to the taking of inventories if abstracted into records covered by subdivision (a) of this rule. Destroy at option.

(c) Minor inventories of materials and supplies on hand if not reflected in adjustments of accounts. Destroy at option.

History: 1979 AC; 1980 AACS.

Operations records

R 460.2568 Electricity production records; retention periods.

Rule 68. The following electricity production records shall be retained for the periods listed:

(a) Boiler room, condenser room, turbine room, and pump room logs, including supporting data. 3 years.

(b) Boiler room and turbine room reports of equipment in service and performance. 3 years.

(c) Boiler-tube failure report. 3 years.

(d) Generation and output logs with supporting data. 6 years.

(e) Station and system generation reports. 25 years, except that those relating to licensed projects, or additions or betterments thereto, for which the commission has not determined the actual legitimate original cost, shall be retained 25 years and until such cost has been determined.

(f) Generating high-tension and low- 3 years.

tension load records.

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|---|--|
| (g) Oil and waste reports. | 3 years. |
| (h) Load curves, temperature logs, and coal and water logs. | 3 years. |
| (i) Gage-reading reports. | 2 years, except that river-flow data collected in connection with hydro-operation shall be retained for the life of the corporation. |
| (j) Recording instrument charts. | 1 year, except that where the basic chart information is transferred to another record, the charts need only be retained for 6 months if the record that contains the basic data is retained for 1 year. |
| (k) Load dispatcher's and station permits. | 1 year, except that where the basic chart information is transferred to another record, the charts need only be retained for 6 months if the record that contains the basic data is retained for 1 year. |

History: 1979 AC; 1980 AACCS.

R 460.2568a Gas production records; retention periods.

Rule 68a. The following gas production records shall be retained for the periods listed:

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| (a) Boiler and gas machine logs, including supporting data. | 3 years. |
| (b) Gas generation and output logs with supporting data. | 6 years. |
| (c) Temperature and atmospheric pressure logs. | 3 years. |
| (d) Coal, coke, and oil reports. | 3 years. |
| (e) Residual reports. | 3 years. |

(f) Recording instrument charts, such as pressure (static or differential, or both), temperature, specific gravity, and heating value.	1 year, except that where the basic chart information is transferred to another record, the charts need only be retained for 6 months if the record that contains the basic data is retained for 1 year.
(g) Tests of heating value at stations and outlying points.	6 years.
(h) Records of gas produced, gas sent out, gas purchased, and holder stock.	6 years.
(i) Analysis of gas produced and purchased, including Btu and sulphur content.	6 years.
(j) Records of general inspection and operating tests.	3 years.
(k) Well records, including cleaning, bailing, shooting, records and rock pressure, open flow, production, and gas analysis reports.	1 year after the field is abandoned.
(l) Gasoline production.	6 years.
(m) Gas production by county.	Destroy at option.
(n) Gas measuring records.	1 year.
(o) Tool record.	3 years.
(p) Royalty record.	6 years.
(q) Records of meter tests.	Until superseding test, but not less than 2 years.
(r) Meter history records.	For the life of the meter.

History: 1979 AC; 1980 AACS.

R 460.2568b Water supply purification and pumping records; retention periods.

Rule 68b. The following water supply purification and pumping records shall be retained for the periods listed:

(a) Records of water supplied to distribution system, by sources.	15 years or 3 years after the source is abandoned, whichever is shorter.
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(b) Boiler room, condenser room, turbine room, and pump room logs, including supporting data.	3 years.
(c) Boiler room and turbine room reports of equipment in service and performance.	3 years.
(d) Equipment failure report.	3 years.
(e) Pumping output logs with supporting data.	3 years.
(f) Station output reports.	25 years.
(g) Oil and waste reports.	3 years.
(h) Coal and water logs.	3 years.
(i) Gage-reading reports.	3 years.
(j) Recording instrument charts.	3 years.

History: 1979 AC; 1980 AACS.

R 460.2569 Electricity transmission and distribution records; retention periods.

Rule 69. The following electricity transmission and distribution records shall be retained for the periods listed:

(a) Substation and transmission line logs.	3 years.
(b) System operator's daily logs and reports of operation.	3 years.
(c) Storage battery and other equipment logs and records.	3 years.
(d) Interruption logs and reports.	6 years.
(e) Records of substation general inspections and operation tests.	3 years.
(f) Apparatus failure reports.	3 years.
(g) Line-trouble reports and records.	3 years.
(h) Lightning and storm data.	3 years.
(i) Insulator test records.	3 years.

(j) Reports on inspections and repairs of all street openings.	6 years.
(k) Records of meter tests.	Until superseding test, but not less than 2 years or as may be necessary to comply with service rules regarding refunds on fast meters.
(l) Meter shop reports (monthly reports summarizing tests and repairs).	3 years.
(m) Meter history records.	For the life of the meter or as may be necessary to comply with service rules regarding refunds on fast meters.
(n) Transformer history records.	For the life of the transformer.
(o) Records of transformer inspections and oil tests.	Destroy at option.
(p) Pole, tower, structure, equipment, and other history records. Note: Life or mortality study data for depreciation purposes shall be retained for the life of the corporation.	For the life of the equipment.

History: 1979 AC; 1980 AACS.

R 460.2569a Gas transmission and distribution records; retention periods.

Rule 69a. The following gas transmission and distribution records shall be retained for the periods listed:

(a) Transmission line logs.	3 years.
(b) Transmission and distribution department load dispatching operating logs.	3 years.
(c) Service interruption logs and reports.	6 years.
(d) Records of general inspections and operating tests.	3 years.
(e) Reports on inspections and repairs of all street openings.	6 years.
(f) Apparatus failure reports.	6 years.

(g) Records of meter tests.	Until superseding test, but not less than 2 years or as may be necessary to comply with service rules regarding refunds on fast meters.
(h) Meter history records.	For the life of the meter.
(i) Meter shop reports (monthly reports summarizing tests and repairs).	3 years.
(j) Gas measuring records.	1 year.
(k) Transmission line operating reports.	3 years.
(l) Compressor operation and reports.	3 years.
(m) Gas pressure department reports.	3 years.
(n) Recording instrument charts, such as pressure (static and differential), temperature, specific gravity, and heating value.	1 year, except that where charts are exchanged with the customer and the basic information is transferred to another record, the charts need only be retained for 6 months if the record that contains the basic chart data is retained for 1 year.

History: 1979 AC; 1980 AACS.

R 460.2569b Rescinded

History: 1979 AC; 1980 AACS; 1998-2000 AACS.

R 460.2570 Customer service records; retention periods.

Rule 70. The following customer service records shall be retained for the periods listed:

(a) Reports of inspections of customer premises.	2 years.
(b) Records and reports of customer service complaints.	2 years.
(c) Surveys of customer premises to determine the type of service and equipment to be installed.	Destroy at option.
(d) Records of installed customer appliances.	Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2571 Records of operations other than utility operations; retention period.

Rule 71. Records of operations other than utility operations shall be retained for the same periods as those prescribed in these rules for similar records that pertain to utility operations.

History: 1979 AC; 1980 AACS.

R 460.2572 Statistics; retention periods.

Rule 72. The following statistical records shall be retained for the periods listed:

(a) Annual financial, operating, and statistical reports regularly prepared in the course of business for internal administrative or operating purposes (and not used as the basis for entries to the accounts of the companies concerned) to show the results of operations and the financial condition of the utility. 10 years after date of report.

(b) Quarterly, monthly, or other periodic financial, operating, and other statistical reports as above. 2 years.

(c) All other statistical reports not covered elsewhere in these rules which are prepared for internal administrative or operating purposes only and which are not used as the basis for entries to the accounts of the company. Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2573 Stockholder records; retention periods.

Rule 73. The following stockholder records shall be retained for the periods listed:

(a) Annual reports or statements to stockholders. Life of the corporation.

(b) Written acknowledgments of receipts of reports to stockholders and written requests for copies of such reports. Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2574 State and federal regulatory commission records; retention periods.

Rule 74. The following state and federal regulatory commission records shall be retained for the periods listed:

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|--|-----------------------------|
| (a) Annual financial, operating, and statistical reports. | Life of the corporation. |
| (b) Monthly and quarterly reports of operating revenues, expenses, and statistics. | 2 years after current year. |
| (c) Special or periodic reports on the following subjects: | |
| (i) Transactions with associated companies. | 6 years. |
| (ii) Budgets of expenditures. | 3 years. |
| (iii) Accidents. | 6 years. |
| (iv) Employees and wages. | 5 years. |
| (v) Loans to officers and employees. | 3 years after fully paid. |
| (vi) Issues of securities. | See rules 13(c) and 14. |
| (vii) Purchases and sales, utility properties. | Life of the corporation. |
| (viii) Plant changes - units added and retired. | Life of the corporation. |
| (ix) Service interruptions. | 6 years. |

History: 1979 AC; 1980 AACS.

R 460.2575 Miscellaneous statistical records; retention period.

Rule 75. Miscellaneous statistical reports, statements, and summaries not covered elsewhere in these rules which are prepared for administrative or operating purposes only and which are not used as the basis for entries to the accounts of the utility may be destroyed at option.

History: 1979 AC; 1980 AACS.

R 460.2576 Tabulating cards; retention period.

Rule 76. If statistical results are transcribed to other records covered by these rules, tabulating cards used only in the compilation of statistics may be destroyed at option after appropriate summaries have been made (see rule 31).

History: 1979 AC; 1980 AACS.

Miscellaneous records

R 460.2577 Maintenance records; retention periods.

Rule 77. The following maintenance records shall be retained for the periods listed:

(a) Authorizations for expenditures for maintenance work to be covered by work orders, including memoranda that show the estimates of costs to be incurred. 6 years.

(b) Work order sheets to which are posted, in detail, the entries for labor, material, and other charges in connection with maintenance and other work pertaining to utility operations. 6 years.

(c) Summaries of expenditures on maintenance and job orders and clearances to operating and other accounts, exclusive of plant accounts. 6 years.

History: 1979 AC; 1980 AACS.

R 460.2578 Budgets and other forecast records; retention period.

Rule 78. Budgets and other forecast records of estimated future income, receipts, and expenditures in connection with financing, construction, operations, acquisitions, disposals of properties, or investments by the company and its associate companies, including revisions of such estimates and memoranda that show reasons for the revisions, that are prepared for internal administrative or operating purposes and records that show a comparison of actual income, receipts, and expenditures with estimates shall be retained for a period of 3 years.

History: 1979 AC; 1980 AACS.

R 460.2579 Injury and damage records; retention periods.

Rule 79. The following injury and damage records shall be retained for the periods listed:

(a) Claim registers, card or book indexes, and similar records related to claims presented against the company in connection with accidents that result in damage to the property of others or personal injuries. 2 years after settlement.

(b) Papers, reports, and statements of witnesses that are necessary to the support or 2 years after settlement.

rejection of individual claims against the company.

(c) Other papers, reports, or statements that pertain to accidents which result in property damages or personal injuries that are not necessary to the support or rejection of claims. Destroy at option.

(d) Detailed schedules or spread sheets of payments to others for personal injuries or for property damage. 2 years after settlement.

History: 1979 AC; 1980 AACS.

R 460.2580 Correspondence records; retention periods.

Rule 80. The following correspondence records shall be retained for the periods listed:

(a) Correspondence and indexes thereto that relate to offices covered by other rules. For the period prescribed as may be permitted for items to which correspondence relates.

(b) Stenographer notebooks and dictaphone or other mechanical device records. Destroy at option.

(c) Mailing lists of prospects for appliance sales and securities. Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2581 Miscellaneous records; retention periods.

Rule 81. The following miscellaneous records shall be retained for the periods listed:

(a) Copies of advertisements by the company on behalf of itself or any associate company in newspapers, magazines, and other publications, including records thereof, except for advertising of products, appliances, employment opportunities, services, territory, routine notices, and invitations for bids for securities, all of which may be destroyed at option. 6 years.

(b) Receipts and records that pertain to the delivery of articles to employees, such as Destroy at option.

badges, keys, and material receipt books.

(c) Records of building space occupied by various departments of the utility. Destroy at option.

(d) Indexes of forms used by the company. Destroy at option.

(e) Transmittal lists of forms used for indicating papers and records forwarded from one department to another, if such lists do not contain data affecting the accounts of the company. Destroy at option.

History: 1979 AC; 1980 AACS.

R 460.2582 Records of predecessors and former associates; retention period.

Rule 82. Records of predecessors and former associates shall be retained until the records of utility plant acquired have been integrated with the utility's plant records and the original cost of the acquired plant is adequately supported by cost details, and until it is ascertained that such records are not necessary to the fulfillment of any unsatisfied regulatory requirement, such as any of the following:

(a) Approval and recording of accounting adjustments resulting from reclassification and original cost studies and acceptance of property acquisition journal entries.

(b) Cost, depreciation reserve, and amortization reserve determinations for licensed projects.

(c) Establishment of continuing plant inventory records or accounting evidence of the cost of long-lived property in the absence of such continuing plant inventory records.

History: 1979 AC; 1980 AACS.