

128 FERC ¶ 61,250  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

18 CFR Parts 366 and 367

(Docket No. RM09-21-000)

Revised Filing Requirements for Centralized Service Companies Under the Public Utility Holding Company Act of 2005, the Federal Power Act, and the Natural Gas Act

(Issued September 17, 2009)

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of Proposed Rulemaking.

SUMMARY: In this Notice of Proposed Rulemaking, the Federal Energy Regulatory Commission proposes to revise the Commission's regulations at 18 CFR 366.1, 366.23, 367.1 and 367.2 to require every centralized service company that provides non-power services to any public utility, natural gas company, or both, to file Form No. 60 (Annual Report of Centralized Service Companies) annually and abide by the Uniform System of Accounts, unless exempted or granted a waiver pursuant to 18 CFR 366.3 or 366.4.

DATES: Comments are due [insert date 30 days after publication in the **FEDERAL REGISTER**].

ADDRESSES: You may submit comments, identified by docket number RM09-21-000, by any of these methods:

- Agency Web Site: <http://www.ferc.gov>. Documents created electronically using word processing software should be filed in native applications or print-to-PDF format and not in a scanned format.

- Mail/Hand Delivery: Commenters unable to file comments electronically must mail or hand deliver an original and 14 copies of their comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, N.E., Washington, DC 20426.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

128 FERC ¶ 61,250  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Revised Filing Requirements for Centralized  
Service Companies Under the Public Utility  
Holding Company Act of 2005, the Federal  
Power Act, and the Natural Gas Act

Docket No. RM09-21-000

NOTICE OF PROPOSED RULEMAKING

(Issued September 17, 2009)

**I. Introduction**

1. In this Notice of Proposed Rulemaking (Notice), the Federal Energy Regulatory Commission proposes to revise the Commission's regulations at 18 CFR 366.1, 366.23, 367.1 and 367.2 to require every centralized service company that provides non-power services to a public utility, a natural gas company, or both, to file FERC Form No. 60 (Annual Report of Centralized Service Companies) annually and abide by the Uniform System of Accounts, unless the holding company is exempted or granted a waiver pursuant to 18 CFR 366.3 or 366.4.<sup>1</sup>

2. The Commission believes that this proposed revision promotes transparency and is consistent with the Commission's regulatory obligation to regulate public utilities under

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<sup>1</sup> A recent inquiry from the public alerted the Commission that greater clarity is needed on the scope of these filing requirements.

We are not proposing any revisions to the regulatory text of 18 CFR part 368 or 18 CFR 369.1, because the current text already is consistent with the proposals in this Notice.

the Federal Power Act (FPA)<sup>2</sup> and natural gas companies under the Natural Gas Act (NGA)<sup>3</sup> to ensure that rates are just and reasonable. It also better tracks the Commission's intent in prior orders directing the filing of FERC Form No. 60.

## II. Background

3. On December 8, 2005, the Commission adopted Order No. 667,<sup>4</sup> a final rule that, among other matters, required centralized service companies to file "a newly-created FERC Form No. 60 (Annual Report for Service Companies) which is based on a streamlined version of the [Securities and Exchange Commission's] Form U-13-60."<sup>5</sup> The Commission adopted Order No. 667 in response to the repeal of the Public Utility Holding Company Act of 1935 (PUHCA 1935)<sup>6</sup> and the enactment of the Public Utility Holding Company Act of 2005 (PUHCA 2005).<sup>7</sup>

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<sup>2</sup> 16 U.S.C. 791a et seq.

<sup>3</sup> 15 U.S.C. 717 et seq.

<sup>4</sup> Repeal of the Public Utility Holding Company Act of 1935 and Enactment of the Public Utility Holding Company Act of 2005, Order No. 667, FERC Stats. & Regs. ¶ 31,197 (2005), order on reh'g, Order No. 667-A, FERC Stats. & Regs. ¶ 31,213 (2006), order on reh'g, Order No. 667-B, FERC Stats. & Regs. ¶ 31,224 (2006), order on reh'g, Order No. 667-C, 118 FERC ¶ 61,133 (2007).

<sup>5</sup> Id. P 12; see also id. P 38. Form U-13-60 was the Securities and Exchange Commission's (SEC's) annual report for service companies of registered holding companies. Id. P 78; see 17 CFR 250.94 (2005).

<sup>6</sup> 15 U.S.C. 79a et seq.

<sup>7</sup> 42 U.S.C. 16451 et seq.; see Energy Policy Act of 2005, Pub. L. No. 109-58, 1261-77, 119 Stat. 594, 972-78 (2005).

4. Pursuant to Order No. 667, the companies subject to the requirement to prepare and file FERC Form No. 60 were centralized service companies, i.e., those service companies that were “not a special-purpose company . . . [and] that provide[d] non-power goods or services to a Commission-jurisdictional public utility or natural gas company.”<sup>8</sup>

This language was intended to continue (albeit, as revised) the SEC requirement that centralized service companies of registered holding companies must file an annual report, regardless of whether the registered holding company included either (or both) a public utility or a natural gas company.

5. On April 24, 2006, the Commission adopted Order No. 667-A, which addressed issues raised in requests for rehearing of Order No. 667. Among other things, we stated that “our regulatory concerns are with respect to allocation of costs to entities whose rates are regulated by the Commission under the [Federal Power Act (FPA),<sup>9</sup>] and [Natural Gas Act (NGA)<sup>10</sup>], i.e., public utilities and natural gas companies.”<sup>11</sup>

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<sup>8</sup> Order No. 667, FERC Stats. & Regs. ¶ 31,197, at regulatory text for 18 CFR 366.23(a). The Commission subsequently explained: “[i]n Order No. 667..., the Commission announced its intention to modify the existing Uniform Systems of Accounts for public utilities and licensees and natural gas companies in Parts 101 and 201, respectively, of the Commission's regulations to accommodate centralized service companies' use of those systems” – which was, in fact, done in Order No. 684. Financial Accounting, Reporting and Records Retention Requirements Under the Public Utility Holding Company Act of 2005, Notice of Proposed Rulemaking, FERC Stats. & Regs. ¶ 32,600, at P 6 (2006) (April 2006 Notice); accord Financial Accounting, Reporting and Records Retention Requirements Under the Public Utility Holding Company Act of 2005, Order No. 684, FERC Stats. & Regs. ¶ 31,229, at P 5 (2006).

<sup>9</sup> 16 U.S.C. 791a et seq.; see Order No. 667-A, FERC Stats. & Regs. ¶ 31,213 at P 6, n.12.

<sup>10</sup> 15 U.S.C. 717 et seq.

6. On the same date that the Commission adopted Order No. 667-A, it also proposed to adopt a Uniform System of Accounts for centralized service companies.<sup>12</sup>

7. In addition, the Commission specifically invited comment,<sup>13</sup> on whether there was a regulatory gap under PUHCA 2005 that might restrict the Commission's ability to assert jurisdiction over holding companies with natural gas company affiliates and no public utility affiliates and what, if any, action the Commission might take under the NGA.<sup>14</sup> None of the comments filed in response to the April 2006 Notice raised any objection to the applicability of FERC Form No. 60 to service companies providing non-power goods and services to either public utilities or natural gas companies. In Order No. 684, in fact, the Commission noted that its authority extended to centralized service companies that served both public utilities and natural gas companies -- referencing PUHCA 2005 as well as the FPA and NGA.<sup>15</sup>

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<sup>11</sup> Order No. 667-A, FERC Stats. & Regs. ¶ 31,213 at P 46, n.64 (emphasis added). In both Order Nos. 667 and 667-A, the Commission noted its independent, broad authority under the FPA and NGA to obtain the books and records of regulated companies, and the FPA and NGA particularly provide that such authority extends to the books and records of any person that controls a public utility or a natural gas company and to the books and records of any other company controlled by such person. 15 U.S.C. 717g(c); 16 U.S.C. 825(c); see Order No. 667, FERC Stats. & Regs. ¶ 31,197 at P 3, 6, 107, 130 n.122; Order No. 667-A, FERC Stats. & Regs. ¶ 31,213 at P 4, 12; cf. Order No. 667, FERC Stats. & Regs. ¶ 31,197 at P 52 (discussing how books and records may be obtained).

<sup>12</sup> April 2006 Notice, FERC Stats. & Regs. ¶ 32,600 at P 1, 7, 9.

<sup>13</sup> Id. P 17.

<sup>14</sup> Id.

<sup>15</sup> Order No. 684, FERC Stats. & Regs. ¶ 31,229 at P 54.

8. As we explained in the April 2006 Notice, describing the development of the regulations:

we were guided by three overarching objectives: (1) the new accounting and records retention requirements should mirror the existing requirements contained in Parts 101, 201, 125 and 225 of the Commission's regulations for public utilities and licensees and natural gas companies to the maximum extent practicable, but should exclude provisions that are not relevant; (2) the new accounting requirements should allow for the consolidation of service company financial information with the financial information of associate public utilities and licensees and natural gas companies as needed for stockholder and SEC reporting; and (3) the new Uniform System of Accounts for centralized service companies should include requirements that reflect aspects of business operations that are unique to such service companies.<sup>[16]</sup>

We also explained in the April 2006 Notice that the proposed Uniform System of Accounts for Centralized Service Companies conformed, to the maximum extent practicable, to the Commission's existing Uniform Systems of Accounts for public utilities and licensees and for natural gas companies as set forth in parts 101 and 201, respectively, of the Commission's regulations.<sup>17</sup>

9. The Commission followed up the issuance of Order Nos. 667 and 667-A with Order No. 684,<sup>18</sup> a final rule that, among other matters, established a Uniform System of Accounts for centralized service companies in part 367. Order No. 684 also reiterated

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<sup>16</sup> April 2006 Notice, FERC Stats. & Regs. ¶ 32,600 at P 8; accord Order No. 684, FERC Stats. & Regs. ¶ 31,229 at P 27, 100.

<sup>17</sup> April 2006 Notice, FERC Stats. & Regs. ¶ 32,600 at P 9; accord Order No. 684, FERC Stats. & Regs. ¶ 31,229 at P 9; cf. id. P 10 (referring to record retention requirements for public utilities and natural gas companies).

<sup>18</sup> See supra note 8.

that centralized service companies providing non-power services must file FERC Form No. 60, Annual Report of Centralized Service Companies, unless exempted or granted a waiver pursuant to 18 CFR 366.3 or 366.4; this requirement was codified at 18 CFR 366.23 and 367.2.

10. It is also noteworthy that, when the Commission in Order No. 684 compared the final rule it was adopting there to the proposals in the April 2006 Notice, the Commission did not state that it was now excusing centralized service companies in those holding company systems with no public utilities from their obligations to file FERC Form No. 60 and to abide by the Uniform System of Accounts. Indeed, the Commission explained in Order No. 684 that “a structured USofA as proposed under new part 367 of the Commission’s regulations is necessary to ensure consistency across the centralized service companies and, equally important, to ensure the Commission has the information necessary to carry out its obligations under PUHCA 2005, the Federal Power Act (FPA), and the Natural Gas Act (NGA).”<sup>19</sup> We also explained in Order No. 684:

Although flexibility in accounting rules may have enabled the SEC to meet its regulatory responsibilities, such flexibility will not allow the Commission to accomplish its regulatory mandate to ensure just and reasonable rates. There are hundreds of entities subject to the Commission’s jurisdiction. The only way the Commission can efficiently carry out this mandate is by requiring these entities to account for transactions in a structured and uniform manner. That is why the Commission adopted and still maintains USofAs for public utilities and licensees and for natural gas companies. A structured USofA for centralized service companies is an equally essential tool that the Commission needs to carry out its regulatory responsibilities.<sup>[20]</sup>

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<sup>19</sup> Order No. 684, FERC Stats. & Regs. ¶ 31,229 at P 27.

<sup>20</sup> Id. P 29.



The same reasoning applies equally to the filing of FERC Form No. 60.<sup>21</sup>

11. As currently written, 18 CFR 366.23(a)(1) provides that,

[u]nless otherwise exempted or granted a waiver by Commission rule or order pursuant to § 366.3 and § 366.4, every centralized service company<sup>[22]</sup> (see § 367.2 of this chapter) in a holding company system must file an annual report, Form No. 60.

However, 18 CFR 367.2(a) currently states that, unless exempted or granted a waiver by Commission rule or order, the Uniform System of Accounts, on which FERC Form No. 60 is based “applies to any centralized service company operating, or organized specifically to operate, within a holding company system for the purpose of providing non-power services to any public utility in the same holding company system.”

12. In Order Nos. 667, 667-A and 684, the Commission intended to require every centralized service company that provides non-power services to a public utility, a natural gas company, or both, to file FERC Form No. 60 (Annual Report of Centralized Service

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<sup>21</sup> Also notable is the fact that 18 CFR 367.2(b)(4) provides that the requirement to use the Uniform System of Accounts does not apply to a centralized service company that provides services “exclusively to a local gas distribution company.” This provision parallels the provision in 18 CFR 366.3(b)(2)(vi) that exempts a holding company that is a holding company solely with respect to local gas distribution companies that are not regulated as natural gas companies. Such an exemption would have been unnecessary if the requirements of that section only extended to services provided to public utilities. The regulations also provide, at 18 CFR 367.2(b)(2), that the new Uniform System of Accounts is not applicable to gas utility companies. If the requirement to file Form No. 60 was intended to only extend to non-power services provided by centralized service companies to public utilities, then this language likewise would be superfluous.

<sup>22</sup> A centralized service company is defined to include any service company providing services such as administrative, management, financial, accounting, and other services “to other companies in the same holding company system.” 18 CFR 367.1(a)(7).

Companies) annually, unless the holding company is exempted or granted a waiver pursuant to 18 CFR 366.3 or 366.4. However, it has recently come to the Commission's attention that the regulatory text as currently drafted, particularly at 18 CFR 366.1 and 366.23 and 18 CFR 367.1 and 367.2, does not conform to the Commission's intention on these matters.

### **III. Discussion**

13. As currently written, the reference in 18 CFR 366.23 to 18 CFR 367.2, and 18 CFR 367.2 itself, make both the requirement to file FERC Form No. 60 under 18 CFR 366.23 and the requirement to abide by the Uniform System of Accounts pursuant to 18 CFR 367.2 applicable only to a centralized holding company providing non-power goods or services to a "public utility" in the same holding company system, rather than to a "public utility" or a "natural gas company" or both.

14. It was our intention in Order Nos. 667, 667-A and 684 that every centralized service company providing non-power services either to any public utility or to any natural gas company (or to both) in the same holding company system file FERC Form No. 60 and comply with the Uniform System of Accounts, unless the holding company is exempted or granted a waiver. However, it has recently come to our attention that, as currently written, the regulatory text of 18 CFR 366.1, 366.23, 367.1 and 367.2 could be read to reach a different conclusion. As discussed above, this more narrow application was not intended.

15. Thus, we propose to apply the FERC Form No. 60 annual filing requirement, as well as the requirement to abide by the Uniform System of Accounts, to any centralized

service company that provides non-power services to any public utility or any natural gas company, or both, in the same holding company system, so that the filing requirements will apply to all the entities that the Commission envisioned covering in its earlier orders, (i.e., the public utilities and natural gas companies subject to the Commission's jurisdiction under the FPA and NGA).

16. Therefore, the Commission proposes to revise 18 CFR 366.1 and 18 CFR 367.1 to clarify that "service companies" include entities providing non-power goods or services to any public utility or any natural gas company in the same holding company system, and to revise 18 CFR 366.23 and 18 CFR 367.2 to clarify that every centralized service company that provides non-power services to a public utility, a natural gas company, or both, in the same holding company system, must file FERC Form No. 60 (Annual Report of Centralized Service Companies) annually and must abide by the Uniform System of Accounts, unless the holding company is exempted or granted a waiver pursuant to 18 CFR 366.3 or 366.4.

17. The Commission believes that these revisions will promote transparency and are consistent with the Commission's regulatory obligation to regulate public utilities under the FPA and natural gas companies under the NGA to ensure just and reasonable rates. It also better tracks the Commission's intent in prior orders directing the filing of FERC Form No. 60.<sup>23</sup>

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<sup>23</sup> If commenters believe that revisions to 18 CFR part 368 or 18 CFR 369.1 are also needed, they may so state in their comments.

18. In contrast to Order Nos. 667, 667-A and 684, in this rulemaking the Commission intends to rely explicitly on the Commission's authority under the FPA and NGA, in addition to our authority under PUHCA 2005. Accordingly, the Commission also proposes in this Notice to revise the name of subchapter U, and of parts 366 and 367, title 18, CFR, to better reflect the Commission's reliance on its statutory authority under the FPA and NGA, in addition to its authority under PUHCA 2005.

#### **IV. Information Collection Statement**

19. Office of Management and Budget (OMB) regulations require OMB to review and approve certain information collection requirements imposed by agency rule.<sup>24</sup> The Commission is submitting notification of the information collection requirements contained in this proposed rule to OMB for review and approval under section 3507(d) of the Paperwork Reduction Act of 1995.<sup>25</sup> The Commission solicits comments on the Commission's need for this information, whether the information will have practical utility, the accuracy of the provided burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected, and any suggested methods for minimizing respondents' burden, including the use of automated information techniques.

20. In this Notice, we are proposing to require that FERC Form No. 60 as it currently exists now also be filed by centralized service companies in holding company systems that include natural gas companies (where there is not also a public utility), and that the

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<sup>24</sup> 5 CFR 1320.11.

<sup>25</sup> 44 U.S.C. 3507(d).

Uniform System of Accounts as it currently exists now also apply to centralized service companies in holding company systems (where there is not also a public utility); in holding company systems where there already is a public utility, these requirements already apply. The number of companies that now would be subject to these requirements (that were not subject to these requirements before) is relatively small, since most holding companies include only public utilities or include both public utilities and natural gas companies and so would already be subject to these requirements.

Title: FERC Form No. 60, Annual Report of Centralized Service Companies.

Action: Proposed collections.

OMB Control No.: 1902-0215.

Respondents: Business or other for profit, Interstate natural gas pipelines and public utilities (not applicable to small businesses).

Frequency of Responses: Annually.

21. Necessity of Information: This proposed rule, if implemented, would explicitly require, absent an exemption or waiver, any centralized service company providing non-power services to any natural gas company or any public utility, or both, to file FERC Form No. 60 annually and to comply with the Uniform System of Accounts. This information is needed to promote transparency and to allow the Commission to determine whether rates of natural gas pipelines and public utilities are just and reasonable.

22. Implementation of these requirements also will help the Commission carry out its responsibilities under the FPA, NGA, and PUHCA 2005 to ensure that public utilities and natural gas companies do not engage in improper pricing and undue discrimination. The

information collection requirements of this proposed rule will be reported to the Commission and posted on the Commission's web site.

Internal Review: The Commission has reviewed the reporting and accounting requirements proposed in this Notice. These requirements conform to the Commission's plan for efficient information collection, communication, and management within the natural gas pipeline and electric power industries, and are necessary to meet the Commission's obligations under PUHCA, the FPA, and the NGA. The Commission has assured itself, by means of its internal review, that there is specific, objective support for the burden estimates associated with the information collection requirements.

23. Interested persons may obtain information on the reporting requirements by contacting the following:

Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426  
[Attention: Michael Miller, Office of the Chief Information Officer  
Phone: (202)502-8415, fax: (202)273-0873  
e-mail: [michael.miller@ferc.gov](mailto:michael.miller@ferc.gov)]

24. Comments concerning the collection of information and the associated burden estimate, should be sent to the contact listed above and to the Office of Management and Budget, Office of Information and Regulatory Affairs, Washington, DC 20503

[Attention: Desk Officer for the Federal Energy Regulatory Commission, phone: (202)395-7856, fax: (202)395-7285].

**V. ENVIRONMENTAL ANALYSIS**

25. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.<sup>26</sup> The Commission has categorically excluded certain actions from these requirements as not having a significant effect on the human environment.<sup>27</sup> The actions proposed here fall within categorical exclusions in the Commission's regulations for rules that are clarifying, corrective, or procedural, for information gathering, analysis, and dissemination, for accounting-related matters, and for rate-related matters.<sup>28</sup> Therefore, no environmental assessment is necessary.

**VI. REGULATORY FLEXIBILITY ACT CERTIFICATION**

26. The Regulatory Flexibility Act of 1980 (RFA)<sup>29</sup> generally requires a description and analysis of rulemakings that will have a significant economic impact on a substantial number of small entities. The regulations proposed here impose requirements only on holding companies of public utilities and natural gas pipelines, the majority of which are not small businesses, and thus the regulations proposed here will not have a significant economic impact on a substantial number of small entities. These requirements are, in fact, designed to benefit all customers, including small businesses. Accordingly, the

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<sup>26</sup> Regulations Implementing the National Environmental Policy Act, Order No. 486, FERC Stats. & Regs. ¶ 30,783 (1987).

<sup>27</sup> 18 CFR 380.4.

<sup>28</sup> See 18 CFR 380.4(a)(2)(ii), 380.4(a)(5), 380.4(a)(15), 380.4(a)(16), 380.4(a)(25); accord id. 380.4(a)(27).

<sup>29</sup> 5 U.S.C. 601-12.

Commission hereby certifies that the regulations proposed here will not have a significant adverse impact on a substantial number of small entities.

## **VII. COMMENT PROCEDURES**

27. The Commission invites interested persons to submit written comments on the matters proposed to be adopted in this Notice, including any related matters or alternative proposals that commenters may wish to discuss. Comments are due [insert date 30 days from publication in the **FEDERAL REGISTER**]. Comments must refer to Docket No. RM09-21-000, and must include the commenter's name, organization represented, if applicable, and address. Comments may be filed either in electronic or paper format.

28. Comments may be filed electronically via the eFiling link on the Commission's web site at <http://www.ferc.gov>. The Commission accepts most standard word processing formats and commenters may attach additional files with supporting information in certain other file formats. Commenters filing electronically do not need to make a paper filing. Commenters that are not able to file comments electronically must submit an original and 14 copies of their comments to: Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC 20426.

29. All comments will be placed in the Commission's public files and may be viewed, printed, or downloaded remotely as described in the Document Availability section below. Commenters are not required to serve copies of their comments on other commenters.

## **VIII. DOCUMENT AVAILABILITY**

30. In addition to publishing the full text of this document in the Federal Register, the



Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (<http://www.ferc.gov>) and in the Commission's Public Reference Room during normal business hours (8:30 a.m. to 5:00 p.m. Eastern time) at 888 First Street, N.E., Room 2A, Washington, DC 20426.

31. From the Commission's Home Page on the Internet, this information is available in eLibrary. The full text of this document is available in eLibrary both in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

32. User assistance is available for eLibrary and the Commission's web site during the Commission's normal business hours. For assistance, contact FERC Online Support by email at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov), or by telephone at 202-502-6652 (toll-free at (866) 208-3676) or for TTY, contact (202) 502-8659.

List of subjects in 18 CFR part 366

Electric power

Natural gas

Reporting and recordkeeping requirements

List of subjects in 18 CFR part 367

Electric power

Natural gas

Uniform System of Accounts

Reporting and recordkeeping requirements

By direction of the Commission.

( S E A L )

Kimberly D. Bose,  
Secretary.

In consideration of the foregoing, the Commission proposes to amend parts 366 and 367, subchapter U, Chapter I, Title 18, Code of Federal Regulations, as follows:

- 1. The title of Subchapter U is revised to read as follows:

**SUBCHAPTER U- REGULATIONS UNDER THE PUBLIC UTILITY HOLDING COMPANY ACT OF 2005, FEDERAL POWER ACT AND NATURAL GAS ACT**

**PARTS 366 BOOKS AND RECORDS**

- 2. The title of part 366 is revised as set forth above:
- 3. The authority citation for part 366 is revised to read as follows:

**Authority: 15 U.S.C. 717 et seq., 16 U.S.C. 791a et seq., and 42 U.S.C. 16451-16463.**

- 4. The title of Subpart A is revised to read as follows:

**Subpart A- Definitions and Provisions under PUHCA 2005, the Federal Power Act and the Natural Gas Act**

- 5. In § 366.1, the definition of “service company” is revised to read as follows:

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Service company. The term “service company” means any associate company within a holding company system organized specifically for the purpose of providing non-power goods or services or the sale of goods or construction work to any public utility or any natural gas company, or both, in the same holding company system.

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- 6. The title of Subpart B is revised to read as follows:

**Subpart B- Accounting and Recordkeeping under PUHCA 2005, the Federal Power Act and the Natural Gas Act**

7. In § 366.23, paragraph (a) is revised to read as follows:

**§ 366.23 FERC Form No. 60, Annual reports of centralized service companies, and FERC-61, Narrative description of service company functions.**

(a) General. (1) FERC Form No. 60. Unless otherwise exempted or granted a waiver by Commission rule or order pursuant to §§ 366.3 and 366.4, every centralized service company (see § 367.2 of this chapter) in a holding company system, regardless of whether that service company is providing services to a public utility, a natural gas company, or both, must file an annual report, FERC Form No. 60, as provided in § 369.1 of this chapter. Every report must be submitted on the FERC Form No. 60 then in effect and must be prepared in accordance with the instructions incorporated in that form.

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8. The title of part 367 is revised to read as follows:

**PART 367 – UNIFORM SYSTEM OF ACCOUNTS FOR CENTRALIZED SERVICE COMPANIES SUBJECT TO THE PROVISIONS OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 2005, FEDERAL POWER ACT AND NATURAL GAS ACT**

9. The authority citation for part 367 is revised to read as follows:

**Authority:** 15 U.S.C. 717 et seq., 16 U.S.C. 791a et seq., and 42 U.S.C. 16451-16463.

10. In § 367.1, paragraph (a)(45) is revised to read as follows:

**§ 367.1 Definitions.**

(a) \* \* \*

(45) Service company means any associate company within a holding company system organized specifically for the purpose of providing non-power goods or services or the sale of goods or construction work to any public utility or any natural gas company, or both, in the same holding company system.

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11. In § 367.2, paragraph (a) is revised to read as follows:

**§ 367.2 Companies for which this system of accounts is prescribed.**

(a) Unless otherwise exempted or granted a waiver by Commission rule or order pursuant to §§ 366.3 and 366.4 of this chapter, this Uniform System of Accounts applies to any centralized service company operating, or organized specifically to operate, within a holding company system for the purpose of providing non-power services to any public utility or any natural gas company, or both, in the same holding company system.

\* \* \* \* \*