

utility or licensee has amounts loaned or money advanced to its parent, subsidiary, or affiliate companies through its cash management program(s), along with plans, if any, to regain at least a 30 percent proprietary capital ratio.

(d) In the event that the proprietary capital ratio subsequently meets or exceeds 30 percent, the public utility or licensee must notify the Commission within 5 days of the determination of that fact.

PART 201—UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED FOR NATURAL GAS COMPANIES SUBJECT TO THE PROVISIONS OF THE NATURAL GAS ACT

■ 5. The authority citation for part 201 continues to read as follows:

Authority: 15 U.S.C. 717–717w, 3301–3432; 42 U.S.C. 7101–7352, 7651–7651o.

■ 6. In part 201, Balance Sheet Accounts, the existing paragraph in account 146 is designated as paragraph A, and paragraphs B and C are added to read as follows:

Balance Sheet Accounts

* * * * *

146 *Accounts receivable from associated companies.*

A. * * *

B. A natural gas company participating in a cash management program must maintain supporting documentation for all deposits into, borrowings from, interest income from, and interest expense to such program. Cash management programs include all agreements in which funds in excess of the daily needs of the natural gas company along with the excess funds of the natural gas company's parent, affiliated and subsidiary companies are concentrated, consolidated, or otherwise made available for use by other entities within the corporate group. The written documentation must include the following information:

(1) For each deposit with and each withdrawal from the cash management program: The date of the deposit or withdrawal, the amount of the deposit or withdrawal, the maturity date, if any, of the deposit, and the interest earning rate on the deposit;

(2) For each borrowing from a cash management program: The date of the borrowing, the amount of the borrowing, the maturity date, if any, of the borrowing, and the interest rate on the borrowing;

(3) The security, if any, provided by the cash management program for repayment of deposits into the cash management program and the security

required, if any, by the cash management program in support of borrowings from the program; and

(4) The daily balance of the cash management program.

C. The natural gas company must maintain current and up-to-date copies of the documents authorizing the establishment of the cash management program including the following:

(1) The duties and responsibilities of the administrator and the other participants in the cash management program;

(2) The restrictions on deposits or borrowings by participants in the cash management program;

(3) The method used to determine the interest earning rates and interest borrowing rates for deposits into and borrowings from the program; and

(4) The method used to allocate interest income and expenses among participants in the program.

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PART 260—STATEMENTS AND REPORTS (SCHEDULES)

■ 7. The authority citation for part 260 continues to read:

Authority: 15 U.S.C. 717–717w, 3301–3432; 42 U.S.C. 7101–7352.

■ 8. Section 260.400 is added to read as follows:

§ 260.400 Cash management programs and financial condition reports.

(a) Natural gas companies subject to the provisions of the Commission's Uniform System of Accounts in part 201 of this title that participate in cash management programs must file these agreements with the Commission. The documentation establishing the cash management program and entry into the program must be filed within 10 days of entry into the program. Subsequent changes to the cash management agreement must be filed with the Commission within 10 days of the change.

(b) Natural gas companies must determine, on a monthly basis within 15 days after the end of each month, the percentage of their capital structure that constitutes proprietary capital. The proprietary capital ratio must be computed using a formula in which the total of the balances in the Proprietary Capital Accounts; Account 201, Common stock issued, through Account 219, Accumulated other comprehensive income, in part 201 of this title is the numerator and the total proprietary capital plus the total of the Long-Term Debt Accounts; Account 221, Bonds, through Account 226, Unamortized

discount on long-term debt—Debit, in part 201 of this title, is the denominator.

(c) In the event that the proprietary capital ratio is less than 30 percent, the natural gas company must notify the Commission within 5 days of the determination of that fact and must describe the event(s) or transaction(s) causing its proprietary capital ratio to be less than 30 percent including the extent to which the natural gas company has amounts loaned or money advanced to its parent, subsidiary, or affiliate companies through its cash management program(s), along with plans, if any, to regain at least a 30 percent proprietary capital ratio.

(d) In the event that the proprietary capital ratio subsequently meets or exceeds 30 percent, the company must notify the Commission within 5 days of the determination of that fact.

PART 352—UNIFORM SYSTEMS OF ACCOUNTS PRESCRIBED FOR OIL PIPELINE COMPANIES SUBJECT TO THE PROVISIONS OF THE INTERSTATE COMMERCE ACT

■ 9. The authority citation for part 352 continues to read as follows:

Authority: 49 U.S.C. 60502; 49 App. U.S.C. 1–85 (1988).

■ 10. In Part 352, Balance Sheet Accounts, the existing paragraph of account 13 is designated as paragraph (a) and paragraphs (b) and (c) are added to read as follows:

Balance Sheet Accounts

* * * * *

13 *Receivables from affiliated companies.*

(a) * * *

(b) An oil pipeline company participating in a cash management program must maintain supporting documentation for all deposits into, borrowings from, interest income from, and interest expense to such program. Cash management programs include all agreements in which funds in excess of the daily needs of the carrier along with the excess funds of the carrier's parent, affiliated and subsidiary companies are concentrated, consolidated, or otherwise made available for use by other entities within the corporate group. The written documentation must include the following information:

(1) For each deposit with and each withdrawal from the cash management program: the date of the deposit or withdrawal, the amount of the deposit or withdrawal, the maturity date, if any, of the deposit, and the interest earning rate on the deposit;

(2) For each borrowing from a cash management program: the date of the