



FEDERAL ENERGY REGULATORY COMMISSION

News Release

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FERC Proposes to Modernize Accounting Systems to Reflect Changing Electricity Markets

FERC today announced plans to modernize its accounting systems to better reflect the rapid changes in electric power market resources and technologies.

The Commission issued a Notice of Proposed Rulemaking (NOPR) that would modify its Uniform System of Accounts (USofA) by creating new accounts for wind, solar and other non-hydro renewable assets, establishing a new functional class for energy storage accounts, codifying the accounting treatment for renewable energy credits and creating new accounts for computer hardware, software and communication equipment. Creation of these discrete accounts would provide more accurate information to the Commission and the public during the ratemaking process by enabling more reasonable estimates for lifetimes of plant service and their recorded depreciation.

FERC's USofA facilitates the Commission's ratemaking responsibilities and uniformly captures regulated entities' financial and operational information. Today's NOPR serves to increase transparency and improve the Commission's ratemaking processes.

Additionally, the NOPR seeks comment on whether the Chief Accountant should issue guidance on accounting for hydrogen.

This NOPR is a result of a Jan. 19, 2021, Notice of Inquiry on the appropriate accounting treatment for renewable energy assets. Comments on today's NOPR are due 45 days after publication in the *Federal Register*.

R22-37

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