

**SGA**  
**Introduction to Regulated Natural Gas Accounting**  
**CenterPoint Energy -- Room TBA**  
**May 21-22, 2008**

**AGENDA**

**Wednesday May 21**

1:30 p.m.

**Course Objectives and Overview**

**Regulatory Evolution** - Michael Hansen, SGA Consulting Services

- History of Natural Gas Legislation and Regulation
- FERC Orders
- Regulatory Bodies
- North American Energy Standards Board (NAESB)
- Regulated vs. non-regulated industry

2:30

Break

2:45

**Contracts: The Drivers Behind the Business**

Michael Hansen

- Contract Basics
- Transportation
- Storage and Parking/Lending
- Pooling/Balancing Agreements
- Gas Purchases and Sales

3:45

**Roundtable Discussion/ Q & A Session**

4:30

**Adjourn**

**Thursday May 22**

8:00 a.m.

Continental breakfast

8:30

**Uniform System of Accounts** - Rich Reis, SGA Consulting Services

- Chart of Accounts
- Numbering system
- Functionalization and why it's important
- Record-keeping
- Commonly used accounts

9:00

**Ratemaking Basics** – Rich Reis

- Basic Terms and Acronyms
- Goals of Regulation and Regulatory agencies
- Basic Terms and Acronyms
- Types of Filings
- Cost of Service Issues
- Fixed vs. variable costs

Thursday May 22 (continued)

- Rate design
- Rate filing process
- “Pat’s Gas Company”

10:15 Break

10:30 **Property/Plant Accounting**

Mark Heinemann, President, PowerPlan Consultants

- Importance & Background
- Work Orders
- AFUDC / CIAC
- Closing and Unitization
- Capital Asset Management
- Depreciation
- Retirements and Cost of Removal

11:30 Lunch (provided)

12:30 **Tax Issues for Natural Gas Companies** – Mark Heinemann

- Current Income Tax
- Timing Differences
- Normalization & Deferred Taxes
- Computational Issues

1:30 **Financial Reporting Requirements** - Rich Reis

- Balance Sheets
- Income Statements
- Sarbanes-Oxley Act
- SEC vs. FERC
- Planning and Budgetary Concepts
- FASB Statements

2:30 Break

2:45 **Gas Accounting Basics** – Rich Reis

- Who are the players?
- Pertinent FASB Statements
- Transportation vs. Sales
- Revenue Accounting
- Gas Storage
- Balancing
- Purchased Gas Accounting
- Unbilled Revenue
- Unaccounted-for-gas

3:45 Recap/Q&A

4:30 **Adjourn**