



File No. 4780-A000-2

30 November 1994

To: All Group 1 Companies

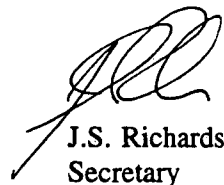
Re: **Retention Requirements for Accounting Records**
Pursuant to Section 6 of the Uniform Accounting Regulations

The Board has considered the records retention requirements for Group 1 companies pursuant to section 6 of the *Gas Pipeline Uniform Accounting Regulations* ("GPUAR") and the *Oil Pipeline Uniform Accounting Regulations* ("OPUAR"). Specifically, subsection 6(10) of these two regulations states:

"All accounts required to be maintained ...shall be retained until the expiration of one year after leave to abandon the operation of the pipeline has been granted by the Board."

The Board is of the view that the existing records retention requirements may impose an undue burden on pipeline companies. The Board considers it appropriate to extend to Group 1 companies the opportunity to dispose of certain accounting records. Accordingly, the Board advises that any Group 1 company wishing to apply for relief from its obligation to retain accounting records such as source documents until one year after leave to abandon the pipeline has been granted by the Board may do so pursuant to subsection 129(1.1) of the *National Energy Board Act*. Applications should include information as to the type and the age of records being considered for disposal. In the absence of justification, the Board would consider a minimum retention period of 6 years appropriate for source documents such as invoices, vouchers and certain meter charts. The Board will consider each request on a case-by-case-basis. There will be no blanket approval for disposal of records on a prospective basis. Attached is a Memorandum of Guidance regarding this matter.

Yours truly,



J.S. Richardson
Secretary

Attach.



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MEMORANDUM OF GUIDANCE

Retention of Accounting Records by Group 1 Companies Pursuant to Gas/Oil Pipeline Uniform Accounting Regulations ("GPUAR" and "OPUAR")

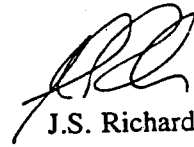
1. All Group 1 companies are required to retain accounting records in accordance with section 6 of the GPUAR/OPUAR. Specifically, subsection 6(10) of these two regulations states:

"All accounts required to be maintained ... shall be retained until the expiration of one year after leave to abandon the operation of the pipeline has been granted by the Board."

2. An accounting record includes any documentation that may be useful in determining the history or facts pertaining to any transaction, including source documents such as invoices, vouchers and certain meter charts.
3. A company may store and preserve its accounting records by electronic and other media including microfiche and microfilm. It is the company's responsibility to ensure that a storage medium is reliable and accessible for Board audit purposes.
4. A pipeline company wishing to be granted relief from its obligation to retain certain records pursuant to subsection 6(10) of the Uniform Accounting Regulations, may apply to the Board to do so. A company's request should include the following:
 - a) the company shall ask to be exempted from subsection 6(10) of the regulations pursuant to subsection 129(1.1) of the *National Energy Board Act*; and
 - b) the company should specify the age and the type of accounting record for which disposal is sought.

5. The Board will consider each application on a case-by-case basis. Any approval by the Board for disposal of records will only be related to the documents of the type and for the period referred to in the particular application. There will be no blanket approval on a prospective basis.

NATIONAL ENERGY BOARD



J.S. Richardson
Secretary