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Decision No. 11760.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF  
THE STATE OF CALIFORNIA

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In the Matter of the Investigation )  
on the Commission's own motion of )  
the proposed uniform classification )  
of accounts for carriers by water. )

Case No. 1760.

C.E. Crocker for Bay Cities Transportation Company;  
J.S.P. Dean for Bay & River Boat Owners Association;  
C.G. Dall for N. Fay & Sons;  
E. Byrne for E.H. Rideout & Company;  
B.C. Schrieber in propria persona;  
W.E. Brown for San Diego & Coronado Ferry Company;  
D.H. Crowell for Wilmington Transportation Company.

BY THE COMMISSION:

O P I N I O N

This is a proceeding instituted by the Commission on its own motion for the purpose of fixing and prescribing a uniform classification of accounts for carriers by water.

Public hearings were had in this matter before Examiner Westover in San Francisco and Los Angeles. Notice of these hearings was mailed to all carriers by water, and such carriers were given an opportunity to show cause why the Commission should not adopt the uniform classification of accounts prescribed by the Interstate Commerce Commission for carriers by water. A copy of the Interstate Commerce Commission's system of accounts is on file in this proceeding and marked "Commission's Exhibit A".

J.S.P. Dean, representing the Bay and River Boat Owners Association, urges that a system of accounts more simple than that of the Interstate Commerce Commission, and contained in a single pamphlet, be prescribed for smaller carriers by water.

With this exception, no one raised any objection to putting into effect the Interstate Commerce Commission's classification.

Section 48 of the Public Utilities Act empowers the Railroad Commission to establish accounting systems. It contains, however, this proviso:--

"The system of accounts established by the Commission and the forms of accounts, records and memoranda prescribed by it shall not be inconsistent, in the case of corporations subject to the provisions of the act of congress entitled "An act to regulate commerce, approved February 4th, 1897"; \*\*\*\*\* with the systems and forms from time to time established for such corporations by the Interstate Commerce Commission, but nothing herein contained shall affect the power of the Commission to prescribe forms of accounts, records and memoranda covering information in addition to that required by the Interstate Commerce Commission."

Therefore, as to those carriers who may be engaged in both intrastate and interstate business, and thus subject to the jurisdiction of both the Railroad Commission and the Interstate Commerce Commission, the Railroad Commission by the order contained herein adopts and prescribes, in so far as it has jurisdiction, the classification of accounts prepared and prescribed by the Interstate Commerce Commission and now in effect.

There appear to be some carriers who are engaged only in intrastate business and therefore subject only to the jurisdiction of the Railroad Commission. For the purpose of accounting, such carriers have been divided into two classes. Class A includes all carriers having annual operating revenues of more than \$500,000, while Class B includes all carriers having annual operating revenues of \$500,000 or less. This division is in line with that of the Interstate Commerce Commission.

Carriers who fall within Class A will be required to keep their accounts and records in accordance with the uniform classification of accounts of the Interstate Commerce Commission.

Using the Interstate Commerce Commission's classification as a basis, the Railroad Commission's department of finance and accounts has prepared a uniform classification of accounts for Class B carriers. A copy of this classification is on file in this proceeding and for the purpose of identification has been marked "Commission's Exhibit B."

The order herein requires all carriers, unless excused by the Commission in writing, to keep their accounts either in accordance with the Interstate Commerce Commission's classification or in accordance with the classification prepared by this Commission's department of finance and accounts. The Commission may, for good cause shown in writing, authorize in specific instances deviations from the uniform classification of accounts adopted and prescribed by the order. Any violation of the order makes a carrier liable for the penalties provided in the Public Utilities Act.

O R D E R.

Public hearings having been held in the above entitled matter and the Commission having given due consideration to the evidence submitted at such hearings;

IT IS HEREBY ORDERED AND DIRECTED that all carriers by water having annual operating revenues of more than \$500,000. and subject to the jurisdiction of the Railroad Commission; also all carriers by water engaged in intrastate and interstate business and therefore subject to the jurisdiction of both the Railroad Commission and the Interstate Commerce Commission, must, on and after January 1, 1923, keep their accounts and records in

accordance with the uniform classification of accounts prescribed by the Interstate Commerce Commission, which uniform classification of accounts is hereby adopted and prescribed by the Railroad Commission in so far as it has jurisdiction over the accounts and records of all carriers described in this paragraph. A copy of said classification is on file in this proceeding and marked "Commission's Exhibit A".

IT IS HEREBY FURTHER ORDERED AND DIRECTED that all carriers by water whose annual operating revenues are \$500,000. or less and who are subject to the jurisdiction of the Railroad Commission and not to the jurisdiction of the Interstate Commerce Commission, must, on and after January 1, 1923, keep their accounts and records in accordance with the uniform classification of accounts contained in the "Commission's Exhibit B" filed in this proceeding, which classification of accounts is hereby adopted and prescribed by the Railroad Commission for the carriers described in this paragraph.

IT IS HEREBY FURTHER ORDERED that upon giving written notice to the Commission and with the written approval of the Commission, any carrier by water coming within Class B may keep its accounts and records in accordance with the system of accounts prescribed by the Interstate Commerce Commission and adopted by this Commission.

DATED at San Francisco, California, this 23rd  
day of November, 1922.

*K. B. Sandig*  
*James M. Martin*  
*Charles H. Towell*

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COMMISSIONERS.