

Decision No. 35018

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation
on the Commission's own motion of
the proposed uniform system of ac-
counts for carriers by water.

Case No. 1760

BY THE COMMISSION:

ORIGINAL

FIRST SUPPLEMENTAL OPINION

The Railroad Commission, in Decision No. 11260, dated November 23, 1922, made its order directing all carriers by water having annual operating revenues of more than \$500,000 and subject to the jurisdiction of this Commission, and also all carriers by water engaged in intrastate and interstate business and subject to the jurisdiction of both this Commission and the Interstate Commerce Commission, to keep their accounts and records in accordance with the uniform classification of accounts then prescribed by the Interstate Commerce Commission. Its order further directed 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, to keep their accounts and records in accordance with the uniform classification of accounts for Class B carriers by water, prescribed by the Railroad Commission, effective January 1, 1923.

The order of the Commission was made pursuant to the

authority granted by Section 48 of the Public Utilities Act which reads, in part, as follows:

"The commission shall have power to establish a system of accounts to be kept by the public utilities subject to its jurisdiction, or to classify said public utilities and to establish a system of accounts for each class, and to prescribe the manner in which such accounts shall be kept. It may also in its discretion prescribe the forms of accounts, records and memoranda to be kept by such public utilities, including the accounts, records and memoranda of the movement of traffic as well as the receipts and expenditures of moneys, and any other forms, records and memoranda which in the judgment of the commission may be necessary to carry out any of the provisions of this act. 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 fourth, eighteen hundred and eighty-seven, and the acts amendatory thereof and supplementary thereto, 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."

Since the date of said Decision No. 11260, Part III of the Interstate Commerce Act, added September 18, 1940, gives the Interstate Commerce Commission additional and extensive authority over the operations of carriers by water. That commission on December 11, 1941 entered its order approving a new Uniform System of Accounts for Carriers by Water, First Revised Issue, effective January 1, 1942, and prescribing the same for the use of all carriers by water and all lessors that are subject to the provisions of Part III of the Interstate Commerce Act, having average annual operating revenues exceeding \$100,000.

This new system of accounts differs in some respects from the systems adopted or prescribed by this Commission by said Decision No. 11260. The Commission believes that it is unreasonable to require those carriers who are under the jurisdiction of

the Interstate Commerce Commission, and who will keep their accounting records in line with the new system of accounts effective January 1, 1942, to keep additional records in conformity with the order of this Commission in said Decision No. 11260. Accordingly, in the interest of uniformity in accounting and economy, a supplemental order will be made at this time amending the order in said Decision No. 11260 so as to permit, so far as this Commission has jurisdiction, the use of the new system of accounts. Further, the order, while not requiring, will permit carriers by water whose average annual operating revenues exceed \$100,000 and who are subject to the jurisdiction of the Railroad Commission but not of the Interstate Commerce Commission, if they so desire, to keep their accounts and records in accordance with said new system.

The order made herein is permissive only and is not to be considered as an approval or acceptance by the Commission of the definitions and instructions contained in said new system of accounts nor as binding the Commission to approve or to accept any item set out in any account by any carrier, for the purpose of fixing rates or of determining any other matter that may come before the Commission.

FIRST SUPPLEMENTAL ORDER

The Railroad Commission having considered the Uniform System of Accounts for Carriers by Water, First Revised Issue, effective January 1, 1942, prescribed by the Interstate Commerce Commission, and being of the opinion that it should enter its supplemental order at this time for the reasons contained in the preceding supplemental opinion, and subject to the limitations

expressed therein,

IT IS HEREBY ORDERED AND DIRECTED as follows:

1. The order in Decision No. 11260, dated November 23, 1922, is hereby amended so as to permit all carriers by water whose average annual operating revenues exceed \$100,000 and who are subject to the jurisdiction of the Railroad Commission and of the Interstate Commerce Commission, to keep their accounts and records in the manner prescribed by the Interstate Commerce Commission in the Uniform System of Accounts for Carriers by Water, First Revised Issue, effective January 1, 1942.

2. The order in said Decision No. 11260, dated November 23, 1922, is hereby further amended so as to permit carriers by water whose average annual operating revenues exceed \$100,000 and who are subject to the jurisdiction of the Railroad Commission but not of the Interstate Commerce Commission, if they so desire, to keep their accounts and records in the manner prescribed by the Interstate Commerce Commission in the said Uniform System of Accounts for Carriers by Water, First Revised Issue, effective January 1, 1942.

3. Those carriers by water who will keep their accounts and records in the manner prescribed by said Uniform System of Accounts for Carriers by Water, First Revised Issue, effective January 1, 1942, are hereby relieved from keeping their accounts and records in the manner prescribed by Decision No. 11260, dated November 23, 1922.

4. The order in Decision No. 11260, dated November 23, 1922, shall remain in full force and effect except as amended

by this First Supplemental Order.

Dated at San Francisco, California, this 10th day
of February, 1942.

Justin D. Calmes
Way & Rieley
A. J. Baker
Frank C. Havenner
Richard L. Laska
Commissioners