

ORIGINAL

Decision No. 39858

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation on the)
 Commission's Own Motion into the Matter of)
 Adopting and Prescribing Uniform Systems of)
 Accounts for "Passenger Stage Corporations,") Case No. 4713
 "Highway Common Carriers," "Radial Highway)
 Common Carriers" and "Highway Contract)
 Carriers.")
 -----)

FOURTH SUPPLEMENTAL ORDER

WHEREAS, by the second paragraph of the order in Decision No. 37429, dated October 24, 1944, as amended, the Commission adopted and prescribed for Class I Highway Common Carriers, Radial Highway Common Carriers and Highway Contract Carriers the uniform system of accounts then prescribed by the Interstate Commerce Commission, and,

WHEREAS, by the third paragraph of the order in Decision No. 37429, dated October 24, 1944, as amended, the Commission prescribed a uniform system of accounts for Class II Highway Common Carriers, Radial Highway Common Carriers and Highway Contract Carriers, which system of accounts summarizes the accounts contained in the uniform system of accounts prescribed for said Class I Carriers, and,

WHEREAS, the Interstate Commerce Commission by its order of November 27, 1946, canceled the operating revenue accounts in its uniform system of accounts in effect on October 24, 1944, and substitutes therefor other operating revenue accounts and adds three new operating expense accounts, all of which appear

in Exhibit "A" attached hereto, and,

WHEREAS, it appears that the amendments set forth in Exhibit "A" show the operating results of said Carriers more fully, simplify their accounting procedure and should be adopted, and,

WHEREAS, it appears advisable to amend said uniform system of accounts for said Class II Carriers, as indicated in Exhibit "B" attached hereto, in order that said uniform system of accounts for Class II Carriers will not be in conflict with the uniform system of accounts for Class I Carriers,

IT IS HEREBY ORDERED that the uniform system of accounts adopted and prescribed by the second paragraph of the order in Decision No. 37429, dated October 24, 1944, as amended, is hereby further amended as indicated in Exhibit "A" attached hereto, which Exhibit "A" is made a part of this order.

IT IS HEREBY FURTHER ORDERED that the uniform system of accounts prescribed by the third paragraph of the order in Decision No. 37429, dated October 24, 1944, as amended, is hereby further amended as indicated in Exhibit "B" attached hereto, which Exhibit "B" is made a part of this order.

IT IS HEREBY FURTHER ORDERED that this order is effective ten (10) days after the date hereof.

Dated at San Francisco California, this 13th day
of January, 1947.

Harold P. Kula

Justus F. Craven

David Powell

A. E. Zimmerman

Commissioners

EXHIBIT A.

MODIFICATION OF THE UNIFORM SYSTEM OF ACCOUNTS
FOR CLASS I MOTOR CARRIERS OF PROPERTY ADOPTED
AND PRESCRIBED BY DECISION NO. 37429 - DATED
OCTOBER 24, 1944

Cancel the following revenue accounts for Class I Motor Carriers
of Property:

3000 - Operating Revenues
3100 - Freight Revenue - Intercity - Common Carrier
 3101 - Credits
 3102 - Debits - Collection and Delivery
 3103 - Debits - Intercity Service
 3104 - All Other Debits
3110 - Freight Revenue - Intercity - Contract Carrier
 3111 - Credits
 3112 - Debits
3120 - Freight Revenue - Local Service
3900 - Other Operating Revenue

and substitute the following in lieu thereof:

§ 182.3000 - Operating Revenues

This account shall include the total operating revenues,
as provided in the primary operating revenue accounts,
derived by the carrier from its motor carrier operations
during the period covered by the income account.

Operating Revenue Accounts

3100 - Freight Revenue - Intercity - Common Carrier
3110 - Freight Revenue - Intercity - Contract Carrier
3120 - Freight Revenue - Local Service
3130 - Revenue - Transportation for other Class I Motor
 Carriers.
3900 - Other Operating Revenue

§ 182.3100 - Freight Revenue - Intercity - Common Carrier

A. This account shall include all revenue earned by
the carrier from the transportation of property in intercity
service, including collection and delivery incident thereto
while operating as a common carrier as defined in section
203(a) (14) of the Interstate Commerce Act. This includes:

- (1) Revenue upon the basis of single line freight rates,
including arbitraries and zone rates.
- (2) The carrier's proportion of revenue earned on
interline shipments.
- (3) Revenue from the transportation of baggage, express,
mail and newspapers in freight equipment.

- (4) Revenue from substitute intercity service performed for a carrier by railroad, air or water.
- (5) Revenue from the intercity transportation of property in intrastate commerce if the service is similar to that of a common carrier as defined in section 203(a) (14) of the Interstate Commerce Act.
- (6) Revenue from reconsigning, stop and other transit privileges.
- (7) Fees for handling C.O.D.'s and other collections of money from consignees in connection with freight shipments.

B. This account shall be charged with:

- (1) The carrier's proportion of overcharges resulting from the use of erroneous intercity rates, weights, classifications or computations.
- (2) Uncollected earnings on intercity freight destroyed in transit and on short and lost freight.
- (3) The carrier's proportion of uncollected intercity tariff charges on damaged shipments for which charges neither shipper nor consignee is liable.

NOTE A. When a common carrier employs vehicles and services of others on a commission or other basis for hauling loads in intercity service and the expenses incurred in their operation are borne by the owners of the vehicles, the carrier shall record in this account the freight revenue from such hauls in the same manner as if it owned the vehicles. Amounts paid to the owners of the vehicles as compensation for the hauls shall be charged to account 4250 - Purchased Transportation - Intercity.

NOTE B. Amounts payable to others for collection, delivery and local transfer of the carrier's intercity freight under arrangements whereby the agreement for the amount payable is based on other than actual division of tariff rates shall be charged to account 4370 - Purchased Collection and Delivery.

NOTE C. Divisions of interline tariff charges due other carriers shall be included in the appropriate accounts payable account.

NOTE D. Revenue from the intercity transportation of property in intrastate commerce, if the service is similar to that of a contract carrier as defined in section 203(a) (15) of the Interstate Commerce Act, shall be included in account 3110 - Freight Revenue - Intercity - Contract Carrier.

- NOTE E. Revenue from collection and delivery and local transfer service performed for another carrier shall be included in account 3120 - Freight Revenue - Local Service.
- NOTE F. Revenue from furnishing line-haul vehicles with drivers to another Class I motor carrier under lease arrangements or similar bases and revenue from transporting intercity freight for another Class I motor carrier, except inter-line shipments, shall be included in account 3130 - Revenue - Transportation for Other Class I Motor Carriers.
- NOTE G. Intercity service for the purpose of accounting and compiling statistical data means transportation performed beyond the limits defined for Local Service (see Note C to account 3120 for definition of Local Service).

§ 182.3110 - Freight Revenue - Intercity - Contract Carrier

A. This account shall include all revenue earned by the carrier from the transportation of property in intercity service while operating as a contract carrier as defined in section 203 (a) (15) of the Interstate Commerce Act. This includes:

- (1) Revenue on the basis of contracts or agreements for the transportation of property in intercity service.
- (2) Revenue from the intercity transportation of property in intrastate commerce if the service is similar to that of a contract carrier as defined in section 203 (a) (15) of the Interstate Commerce Act.

B. This account shall be charged with uncollected earnings on freight damaged or destroyed in transit or short and lost freight.

- NOTE A. When a contract carrier employs vehicles and services of others on a commission or other basis for hauling loads in intercity service, and the expenses incurred in their operation are borne by the owners of the vehicles, the carrier shall record in this account the freight revenue from such hauls in the same manner as if it owned the vehicles. Amounts paid to the owners of the vehicles as compensation for the hauls shall be charged to account 4250 - Purchased Transportation - Intercity.
- NOTE B. Revenue from the intercity transportation of property in intrastate commerce, if the service is similar to that of a common carrier as defined in section 203 (a) (14) of the Interstate Commerce Act, shall be included in account 3100 - Freight Revenue - Intercity - Common Carrier.
- NOTE C. Revenue from collection and delivery and local transfer service performed for another carrier shall be included in account 3120 - Freight Revenue - Local Service.

NOTE D. Revenue from furnishing line-haul vehicles with drivers to another Class I motor carrier under lease arrangements or similar bases shall be included in account 3130 - Revenue - Transportation for Other Class I Motor Carriers.

NOTE E. Intercity service for the purpose of accounting and compiling statistical data means transportation performed beyond the limits defined for Local Service (see Note C to account 3120 for definition of Local Service).

§ 182.3120 - Freight Revenue - Local Service

A. This account shall include revenue earned by common or contract carriers from the transportation of property in local service, such as:

- (1) Revenue from collection and delivery and local transfer services performed for carriers by motor vehicle, railroad, air, water and express, and for freight forwarders.
- (2) Revenue from other local transfer service.

B. This account shall be debited with overcharges resulting from the use of erroneous local rates, weights, classifications or computations and uncollected earnings on freight damaged or destroyed in transit, or short and lost freight.

NOTE A. Revenue earned by the carrier from collection and delivery service incident to its transportation of property in intercity service shall be included in accounts 3100 and 3110, as appropriate.

NOTE B. When a carrier employs vehicles and services of others on a commission or other basis for hauling loads in local service, and the expenses incurred in their operation are borne by the owners of the vehicles, the carrier shall record in this account the freight revenue from such hauls in the same manner as if it owned the vehicles. Amounts paid to the owners of the vehicles as compensation for the hauls shall be charged to account 4255 - Purchased Transportation - Local.

NOTE C. Local service, for the purpose of accounting and of compiling statistical data, means transportation performed within a city or town including the suburban area contiguous thereto.

§ 182.3130 - Revenue - Transportation for Other Class I Motor Carriers

This account shall include amounts receivable from other Class I motor carriers for performing any portion of their intercity haul under contractual arrangements whereby the agreement for compensation is based on other than a division of tariff rates, such as:

- (1) Revenue from furnishing a vehicle with services of driver to another Class I motor carrier under lease or similar arrangement.
- (2) Revenue from transporting freight for another Class I motor carrier when such transportation is purchased by the other carrier to complete any portion of its inter-city haul.
- (3) Revenue from the transportation of loaded or empty trailers for another Class I motor carrier.

NOTE. Revenue received from the lease of vehicles to other carriers without the services of drivers shall be included in account 5350 - Equipment Rents - Credit.

§ 182.3900 - Other Operating Revenue

This account shall include revenues not provided for in accounts 3100 to 3130, inclusive, derived from the operation of property the investment in which is included in account 1200 - Carrier Operating Property, such as:

- (1) Advertising matter displayed in or on structures and vehicles.
- (2) Commissions for brokerage service.
- (3) Commissions for making payroll deductions.
- (4) Commissions for collecting freight charges for other carriers.
- (5) Garnishment fees.
- (6) Lockers, weighing and vending machines and similar devices.
- (7) Privilege of operating lunch counters, news stands and soda fountains.
- (8) Privilege of installing and operating commercial and coin box telephones.
- (9) Profit from operating lunch rooms, restaurants, etc.
- (10) Profit on sales of material and supplies, shop work and services to others.
- (11) Parking and storage of vehicles.
- (12) Rigging and other services accessorial to the transportation of property. (See Note.)
- (13) Snow plow work.
- (14) Storage of freight in excess of free time provided in tariffs.

- (15) Other miscellaneous revenues incident to motor carrier operations.

NOTE. Rigging and other accessorial services as used in Item 12 means loading, unloading and placing of shipments of unusual size or weight necessary to effect transportation of the shipment. Revenues and expenses incident to installation, erection or dismantling of machines, structures, etc., shall be included in account 6000 - Net Income from Non-Carrier Operations.

Add new accounts as follows:

§ 182.4250 - Purchased Transportation - Intercity:

A. This account shall include amounts payable to others for performing any portion of the carrier's intercity haul under arrangements whereby the agreement for compensation is based on other than a division of tariff rates and the expenses of the haul are borne by the hired carrier or owner-operator.

B. This account shall also include payments to railroads and water carriers for intercity transportation of loaded trucks or trailers, and for the transportation of freight when such transportation is purchased by the carrier to complete any portion of its intercity haul.

C. This account shall be subdivided to reflect separately:

- (1) Payments to Class I Motor Carriers
- (2) Payments to railroads and water carriers
- (3) Payments to all others, including motor carriers, owner-operators and private carriers, express companies and for parcel post.

NOTE. Amounts payable as rent for vehicles furnished without the services of drivers, for use in the carrier's transportation service, shall be charged to account 5310 - Equipment Rents - Debit.

§ 182.4255 - Purchased Transportation - Local

This account shall include amounts payable to others for performing any portion of the carrier's local transportation service (See Note C under account 3120 - Freight Revenue - Local Service, for definition of local service) under arrangements whereby the agreement for compensation is based on other than a division of tariff rates, and the expenses of the haul are borne by the party hired to perform the service.

NOTE. Amounts payable to others for collection and delivery of the carrier's intercity freight, including allowances made to shippers and consignees, shall be charged to account 4370 - Purchased Collection and Delivery.

§ 182.4370 - Purchased Collection and Delivery

This account shall be charged with amounts payable for collection and delivery of the carrier's intercity freight performed by others under any arrangement whereby determination of the compensation to be paid is based on other than a division of tariff rates, and with allowances made to shippers and consignees for the delivery or picking up of the carrier's intercity freight.

NOTE. Amounts payable as rent for vehicles furnished by others without the services of drivers, for use in the carrier's collection and delivery service, shall be charged to account 5310 - Equipment Rents - Debit.

EXHIBIT B.

MODIFICATION OF THE UNIFORM SYSTEM OF ACCOUNTS
FOR CLASS II MOTOR CARRIERS OF PROPERTY PRESCRIBED
BY DECISION NO. 37429 DATED OCTOBER 24, 1944 AS
AMENDED.

Cancel the following revenue accounts:

- 310 Freight Revenue - Common Carrier
- 311 Freight Revenue - Contract Carrier

and substitute the following in lieu thereof:

- 310 Freight Revenue - Common Carrier:

This account shall include all revenue (intrastate and interstate) earned by the carrier from the transportation of freight when operating as a common carrier as defined in Section 2-3/4 of the Public Utilities Act.

The records of carriers should be so kept as to show:

- (a) Intrastate Revenue.
- (b) Interstate Revenue.

There should be credited to this account:

- (1) Revenue upon the basis of freight rates including arbitrary and zone rates.
- (2) Revenue upon the basis of joint freight rates.
- (3) Revenue from the transportation of baggage, express, mail and newspapers in freight equipment.
- (4) Revenue from furnishing vehicles with drivers to another carrier under lease or similar bases.
- (5) Revenue from substitute service performed for a carrier by a railroad or a carrier by water.
- (6) Revenue from reconsigning, stop and other transit privileges.
- (7) Fees for handling C.O.D.'s and other collections of moneys from consignees in connection with freight shipments.

There should be charged to this account:

- (1) The carrier's proportion of overcharges resulting from the use of erroneous rates, weights, classifications or computations.

(2) Uncollected earnings on freight destroyed in transit or short and lost freight.

(3) The carrier's proportion of uncollected tariff charges on damaged shipments for which charges neither shipper nor consignee is liable.

NOTE A. Revenue from collection and delivery service performed for another carrier shall be included in Account 390, Other Operating Revenues.

NOTE B. When a common carrier employs vehicles and services of others on a commission or other basis for hauling loads and the expenses incurred in their operation are borne by the owners of the vehicles, the carrier shall record in this account the freight revenue from such hauls in the same manner as if it owned the vehicles. Amounts paid to the owners of the vehicles as compensation for the hauls shall be charged to account 425 - Purchased Transportation.

NOTE C. Amounts payable to others for collection, delivery and local transfer of the carrier's freight under arrangements whereby the agreement for the amount payable is based on other than actual division of tariff rates shall be charged to account 437 - Purchased Collection and Delivery.

NOTE D. Revenue received from the lease of vehicles to other carriers without the services of drivers shall be included in account 535 Operating Rents - Credit.

311 Freight Revenue - Contract Carrier:

This account shall include all revenues (intrastate and interstate) earned by the carrier from transportation of freight when operating as a "Radial Highway Common Carrier" and/or "Highway Contract Carrier" as defined in the Highway Carriers Act.

The records should be so kept as to show:

- (a) Intrastate Revenue.
- (b) Interstate Revenue.

To this account should be credited:

(1) Revenue on the basis of contracts or agreements for the transportation of property.

(2) Revenue from the furnishing of vehicles with services of drivers to other carriers under lease arrangements or similar bases.

To this account should be charged with uncollected earnings on freight damaged or destroyed in transit or short and lost freight.

NOTE A. Revenue from collection and delivery service performed for another carrier shall be included in Account 390, Other Operating Revenues.

NOTE B. When a Radial Highway Common Carrier or a Highway Contract Carrier employs vehicles and services of others and commission or other basis for hauling loads and the expenses incurred in their operation are borne by the owners of the vehicles the carrier shall record in this account the freight revenue from such hauls in the same manner as if it owned the vehicles. Amounts paid to the owners of the vehicles as compensation for the hauls shall be charged to account 425 - Purchased Transportation.

NOTE C. Revenue received from the lease of vehicles to other carriers without the services of drivers shall be included in account 535 - Operating Rents - Credit.

Add new accounts as follows:

425 Purchased Transportation.

This account shall include amounts payable to others for performing any portion of the carrier's haul, other than amounts included in account 437 below, under arrangements whereby the agreement of compensation is based on other than a division of tariff rates and the expenses of the haul are borne by the hired carrier.

Note. Amounts payable as rent for vehicles furnished without the services of drivers for use in the carrier's transportation service shall be charged to account 531 - Operating Rents - Debit.

437 Purchased Collection and Delivery.

This account shall be charged with amounts payable for collection and delivery of the carrier's freight performed by others under any arrangement whereby determination of the compensation to be paid is based on other than a division of tariff rates and the expenses are borne by the party hired to perform the service, and with allowances made to shippers and consignees for the delivery or picking up of the carrier's freight.

Note. Amounts payable as rent for vehicles furnished by others without the services of drivers, for use in the carrier's collection and delivery service, shall be charged to account 531 - Operating Rents - Debit.