

ORIGINAL

Decision No. 42179

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 a)	
Uniform System of Accounts for Class I	:	Case No. 4967
"Highway Common Carriers", "Radial)	
Highway Common Carriers" and "Highway	:	
Contract Carriers".)	
-----	:	

Edward Stern, for Railway Express Agency, Incorporated, and Railway Express Agency, Incorporated, of California.

POTTER, Commissioner

O P I N I O N

This is a proceeding instituted by the Commission on its own motion to consider the matter of adopting and prescribing for Class I highway common carriers, radial highway common carriers, and highway contract carriers, (1) the "Uniform System of Accounts for Class I Common and Contract Motor Carriers of Property, Issue of 1948, Effective January 1, 1948," prescribed by the Interstate Commerce Commission, or of adopting and prescribing the same with modifications. A copy of the said system of accounts is attached to the Order Instituting the Investigation herein and marked Exhibit "A".

A public hearing was held on the matter on October 25, 1948. A copy of the Commission's order and a copy of Exhibit "A"

(1) Class I carriers are those having average gross operating revenues (interstate and intrastate) of \$100,000 or more annually from property motor carrier operations.

were mailed on September 13, 1948, to each Class I highway common carrier, radial highway common carrier and highway contract carrier. No protest was made at said hearing to the Commission's adopting and prescribing said system of accounts.

By Decision No. 37429, dated October 24, 1944, as amended, in Case No. 4713, the Commission among other things, adopted and prescribed for said Class I carriers the uniform system of accounts referred to as the Issue of 1937, which previously had been prescribed by the Interstate Commerce Commission. However, on November 21, 1947, the Interstate Commerce Commission canceled said Issue of 1937 and in its place prescribed for Class I common and contract motor carriers of property subject to its jurisdiction, the system of accounts referred to as the Issue of 1948, which system became effective January 1, 1948, and is the subject matter of this proceeding.

The records of the Commission show that there are about 400 Class I highway common carriers, radial highway common carriers and highway contract carriers. About 180 hold permits issued by the Interstate Commerce Commission. The system of accounts, known as the Issue of 1937, heretofore adopted and prescribed by the Public Utilities Commission and now in effect, differs in some respects from the system of accounts known as the Issue of 1948, which is of record in this proceeding as Exhibit "A". While the differences are not numerous, they are of such a nature as to destroy the comparability of financial statements based on one system of accounts with statements based on the other. It therefore appears desirable, in the interest of uniformity and to assist the Commission in its regulatory

activities, to adopt and prescribe the Issue of 1948 for Class I carriers under the Commission's jurisdiction, with the following modifications:

1. Definition 8 should be changed to read as follows:
"Carrier" or "motor carrier", unless otherwise stated, includes "Highway Common Carriers", "Radial Highway Common Carriers" and "Highway Contract Carriers".

2. Definition 11 should be changed to read as follows:
"Commission" or "The Commission" means the Public Utilities Commission of the State of California.

3. Paragraph D of Instruction 2 reading as follows:
"Carriers shall not destroy any books, records, memoranda, etc., which support entries to their accounts unless the destruction thereof is specifically provided for in the Regulations to Govern the Preservation of Records of Class I Motor Carriers", is deleted. The Commission's General Order No. 28 covers this matter.

4. The title of Account 3100 is amended to read as follows:

Freight Revenue-Intercity-Highway Common Carrier
(Certificated).

5. The words "as defined in Section 203(a)(14) of the Interstate Commerce Act" are deleted from Paragraph A of Account 3100.

6. Item 6 of said Account 3100 is deleted.

7. The title of Account 3110 is amended to read as follows:

Freight Revenue-Intercity-Radial Highway Common Carrier
and/or Highway Contract Carrier.

8. Paragraph (a) of Account 3110 is amended to read as follows: "This account shall include all revenues earned by the carrier from transportation of property when operating as a 'Radial Highway Common Carrier' and/or 'Highway Contract Carrier' as defined in the Highway Carriers Act."

9. Item 3 of said Account 3110 is deleted.

The records of the Commission show that some Class I carriers are engaged in other forms of public utility operations. Such carriers will not be required to segregate their balance sheet, income and surplus accounts to report the same under two systems of accounts. A utility for which the Commission has now prescribed a uniform system of accounts may elect to keep its balance sheet, income and surplus accounts under that system of accounts or under the system of accounts herein prescribed. If it elects the former, a subsidiary record must be kept showing the cost of truck equipment and the operating revenues and operating expenses, so far as practical, applicable to the truck operations.

I herewith submit the following form of Order.

O R D E R

A public hearing having been held in the above entitled matter and the Commission having considered the record

in this matter,

IT IS HEREBY ORDERED AND DIRECTED that the Uniform System of Accounts for Class I Common and Contract Motor Carriers of Property, Issue of 1948, prescribed by the Interstate Commerce Commission and on file in this proceeding as Exhibit "A", be, and it is hereby, adopted and prescribed, effective on and after January 1, 1949, by the Public Utilities Commission of the State of California for all highway common carriers as defined in Section 2-3/4 of the Public Utilities Act, and for all radial highway common carriers and highway contract carriers as defined in the Highway Carriers Act, who have annual and/or average annual gross operating revenues (including interstate and intrastate) of \$100,000 or more from motor carrier operations, said system to be modified as indicated in the preceding opinion.

IT IS HEREBY FURTHER ORDERED that said Class I highway common carriers, radial highway common carriers and highway contract carriers be, and they hereby are, relieved, from and after January 1, 1949, from keeping their accounts in accordance with the uniform system of accounts, Issue of 1937, heretofore adopted and prescribed by this Commission by Decision No. 37429, dated October 24, 1944, as amended.

IT IS HEREBY FURTHER ORDERED that this order shall become effective fifteen (15) days after the date hereof.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Public Utilities Commission of the State of California.

Dated at San Francisco, California, this 3rd day
of November, 1948.

R. E. Inman
Justice F. Casper
Joseph P. Sweeney
Harold A. Kula
Herbert H. Potter
Commissioners

