

ORIGINALDecision No. 60048

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation
 on the Commission's own motion
 concerning the proper treatment for
 rate making purposes, to be accorded
 accelerated amortization and acceler-
 ated depreciation.

Case No. 6148

SUPPLEMENTAL ORDER

By Decision No. 59926, dated April 12, 1960, in the above-entitled proceeding, it was ordered that for the purpose of rate fixing, the Commission will not allow a public utility to charge to its operating expense for income taxes any amount in excess of the amount of income taxes lawfully assessed by the taxing authority and paid by said public utility.

Good cause appearing, IT IS ORDERED that all public utilities under the jurisdiction of this Commission are restricted in the use of any account that may have been established or used because of deferred income taxes resulting from such public utility taking accelerated depreciation under Section 167 of the Internal Revenue Code, except for the purpose for which the credit balance in said account was created. No public utility shall transfer the credit balance in any such account or portion thereof to surplus, or otherwise dispose of any portion of such account, without prior authorization of this Commission.

The Secretary is directed to cause a copy of this order to be served upon all parties hereto, and all public utilities under the jurisdiction of this Commission.

The effective date of this order shall be 20 days after the date hereof.

Dated at San Francisco, California, this 3rd day of May, 1960.

Cecil R. Bay
 President

John E. Biddle

Michael J. ...

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Theodore J. ...
 Commissioners