

Decision No. 73972

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Case No. 1760

SECOND SUPPLEMENTAL OPINION

By Decision No. 11260, dated November 23, 1922, in the above-entitled matter, this Commission, among other things, adopted and prescribed a Uniform Classification of Accounts for Class B Carriers by Water (those carriers having average annual operating revenues of \$500,000 or less).

By Decision No. 45110, dated December 12, 1950, in the above-entitled matter, this Commission adopted and prescribed for Class A carriers by water (those carriers having average annual operating revenues exceeding \$500,000) the Uniform System of Accounts for Carriers by Inland and Coastal Waterways then in effect which had been prescribed by the Interstate Commerce Commission and permitted the smaller carriers, if they so desired, to keep their accounts in accordance with said system.

On July 6, 1959, the Interstate Commerce Commission, through its Division 2, ordered said uniform system of accounts, as modified through June 29, 1959, to be published in revised form as the Uniform System of Accounts for Carriers by Inland and Coastal Waterways, Issue of 1959. On October 3, 1967,

such Commission, effective January 1, 1967, amended said uniform system of accounts with respect to the accounting treatment of extraordinary and prior period items in the determination of net income.

Section 793 of the Public Utilities Code reads, in part, as follows:

"The system of accounts and the forms of accounts, records, and memoranda prescribed by the commission for corporations subject to the provisions of the Interstate Commerce Act and the acts amendatory thereof and supplementary thereto, shall not be inconsistent with the systems and forms from time to time established for such corporations by the Interstate Commerce Commission."

We have given further consideration to the above-entitled matter and find that: (1) some carriers by water are subject to the jurisdiction of both this Commission and the Interstate Commerce Commission and (2) the adoption by this Commission of said Issue of 1959, as amended, will coordinate the accounting requirements prescribed by this Commission for carriers by water with those prescribed by the Interstate Commerce Commission. On the basis of these findings we conclude that this Commission should adopt and prescribe said Issue of 1959, as amended, for all carriers by water subject to its jurisdiction. A further public hearing is not necessary.

In adopting and prescribing said Issue of 1959, as amended, this Commission does not commit itself to approve or to accept any item set out in any account, either as to amount or character, for the purpose of fixing rates or of determining other matters which may come before it. The system of accounts

is designed to record the transactions made in connection with the operations and activities of the carriers in a uniform manner. This Commission, when fixing rates or passing upon other matters before it, will determine what consideration and weight shall be given to the various items of accounts.

THIRD SUPPLEMENTAL ORDER

IT IS ORDERED that the Uniform System of Accounts for Carriers by Inland and Coastal Waterways, Issue of 1959, as amended to reflect amendments effective January 1, 1967, prescribed by the Interstate Commerce Commission, modified to define Class B carriers as those having average annual operating revenues of \$500,000 or less, is hereby adopted and prescribed by this Commission for all carriers by water subject to its jurisdiction, in lieu of the Uniform Classification of Accounts for Class B Carriers by Water adopted and prescribed by Decision No. 11260, dated November 23, 1922, and the Uniform System of Accounts for Carriers by Inland and Coastal Waterways adopted and prescribed by Decision No. 45110, dated December 12, 1950.

IT IS FURTHER ORDERED that the Secretary of the Commission is hereby directed, on or before July 1, 1968, to cause a copy of this decision to be served on all carriers by water subject to this Commission's jurisdiction.

The effective date of the second ordering paragraph hereof shall be twenty days after the date hereof. In all other respects this decision shall become effective on January 1, 1969. However, any carrier by water, at its

option, may adopt retroactively to January 1, 1968, the herein prescribed uniform system of accounts as amended and modified.

Dated at San Francisco, California, this 9th day of APRIL, 1968.

R. E. Northill
President

William B. Bennett

Augusta

William Lyndon J.

Fred P. Monsey
Commissioners