

ORIGINAL

Decision No. 74101

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," "Highway Common)
 Carriers," "Radial Highway)
 Common Carriers" and "Highway)
 Contract Carriers.")

Case No. 4713

ELEVENTH SUPPLEMENTAL ORDER

By Decision No. 37429, dated October 24, 1944, as amended, this Commission, among other things, adopted the Uniform System of Accounts for Class I Common and Contract Motor Carriers of Passengers, Issue of 1937, as amended, prescribed by the Interstate Commerce Commission, and also promulgated the uniform systems of accounts presently applicable to Class II and Class III passenger stage corporations.

On June 27, 1955, the Interstate Commerce Commission ordered said Issue of 1937, as subsequently modified, to be reissued as the Uniform System of Accounts for Class I Common and Contract Motor Carriers of Passengers, Issue of 1955. Subsequently, such Commission modified said Issue of 1955. The most recent modifications resulted from amendments adopted on

September 18, 1967, effective January 1, 1967, and pertain 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 passenger stage corporations are subject to the jurisdiction of both the Interstate Commerce Commission and this Commission; and (2) the adoption by this Commission of said Issue of 1955, as amended, together with a condensation thereof for the smaller carriers, will coordinate the accounting requirements prescribed by this Commission for passenger stage corporations with those prescribed by the Interstate Commerce Commission.

On the basis of the foregoing findings we conclude that this Commission should adopt and prescribe for passenger stage corporations subject to its jurisdiction said Issue of 1955, as amended, together with a condensation thereof in the form of a Chart of Accounts for Certificated Class II and Class III Motor Carriers of Passengers. A further public hearing is not necessary.

In adopting and prescribing said Issue of 1955, as amended, and said chart of accounts, 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 and chart of accounts are 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 in the accounts.

IT IS ORDERED that:

1. The Uniform System of Accounts for Class I Common and Contract Motor Carriers of Passengers, Issue of 1955, as modified to reflect amendments adopted to and including September 18, 1967, prescribed by the Interstate Commerce Commission, is hereby adopted and prescribed by the Public Utilities Commission of the State of California for passenger stage corporations as defined by Section 226 of the Public Utilities Act and having average gross operating revenues (including interstate and intrastate) of \$200,000 or over annually from passenger motor carrier operations.

2. The Chart of Accounts for Certificated Class II and Class III Motor Carriers of Passengers, a copy of which is attached hereto, is hereby adopted and prescribed for passenger stage corporations as defined by Section 226 of the Public Utilities Act and having average annual gross operating revenues (including interstate and intrastate) of less than \$200,000 annually from passenger motor carrier operations.

3. For the purpose of complying with this order, any Class II or Class III passenger stage corporation may, at its option, place itself in Class I.

4. The uniform system and chart of accounts adopted and prescribed herein supersede the uniform systems of accounts contemplated by said Decision No. 37429, as amended, insofar as applicable to passenger stage corporations.

5. 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 passenger stage corporations subject to this Commission's jurisdiction.

6. The effective date of Ordering Paragraph No. 5 hereof shall be twenty days after the date hereof. In all other respects this decision shall become effective on January 1, 1969. However, any passenger stage corporation, at its option, may adopt retroactively to January 1, 1968, the herein prescribed uniform system of accounts, as modified, or chart of accounts, whichever is applicable.

Dated at San Francisco, California,
this 14th day of MAY, 1968.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners

CALIFORNIA PUBLIC UTILITIES COMMISSION

CHART OF ACCOUNTS
FOR
CERTIFICATED CLASS II AND CLASS III
MOTOR CARRIERS OF PASSENGERS

Effective January 1, 1969

The Public Utilities Commission of the State of California,
by Decision No. 74101, dated May 14, 1968, in
Case No. 4713, adopted and prescribed the Chart of Accounts contained
herein.

CHARGE ACCOUNTS

Indebted Property

FOR

CERTIFICATED CLASS II AND CLASS III CARRIER OPERATING MOTOR CARRIERS OF PASSENGERS

Accounts prescribed: Accounts maintained by Class II and Class III certificate motor carriers of passengers shall be those shown in the following Chart of Accounts, and shall include the substance of the several Class I accounts to which they respectively correspond. Any Class II or Class III carrier may, if it desires, supplement its accounts by use of accounts prescribed for Class I carriers. Class II carriers are those with average annual operating revenues of \$50,000 and over but less than \$200,000; Class III carriers are those with average annual operating revenues of less than \$50,000.

BALANCE SHEET ACCOUNTS

ASSETS

ACCOUNTS PRESCRIBED FOR CLASS II AND CLASS III CARRIERS

CLASS I ACCOUNTS

Current Assets:

100 Cash

104 Special Deposits

112 Accounts Receivable

114 Other Receivables

118 Material and Supplies

119 Other Current Assets

Current Assets:

(1000 Cash
(1020 Working Funds

(1040 Special Deposits

(1041 Interest Special Deposits
(1042 Dividend Special Deposits
(1043 Miscellaneous Special Deposits

(1060 Temporary Cash Investments

1120 Accounts Receivable

(1140 Subscribers to Capital Stock

(1080 Notes Receivable
(1100 Receivables From Associated Companies

(1160 Interest and Dividends Receivable

1180 Material and Supplies

1190 Other Current Assets

**ACCOUNTS PRESCRIBED FOR CLASS II
AND CLASS III CARRIERS**

CLASS I ACCOUNTS

Tangible Property:

Tangible Property:

- 120 Carrier Operating Property
 - 120.1 Land and Land Rights
 - 121 Structures
 - 122 Revenue Equipment
 - 123 Service Cars and Equipment
 - 124 Shop and Garage Equipment
 - 125 Furniture and Office Equipment
 - 126 Other Carrier Property

- 1200 Carrier Operating Property
 - 1201 Land and Land Rights
 - 1211 Structures
 - 1221 Revenue Equipment
 - 1231 Service Cars and Equipment
 - 1241 Shop and Garage Equipment
 - 1251 Furniture and Office Equipment
 - (1261 Miscellaneous Equipment
 - (1271 Improvements to Leasehold Property
 - (1281 Undistributed Property
 - (1291 Unfinished Construction

- 130 Carrier Operating Property Leased to Others

- 1300 Carrier Operating Property Leased to Others

- 140 Noncarrier Property

- (1400 Noncarrier Operating Property
- (1450 Nonoperating Property

Intangible Property:

Intangible Property:

- 150 Organization, Franchises, Permits and Other Intangible Property

- (1500 Organization, Franchises and Permits
 - (1501 Organization
 - (1511 Franchises
 - (1541 Patents
- (1550 Other Intangible Property

Investments, Advances and Special Funds:

Investment Securities and Advances:

- 165 Investments, Advances and Special Funds

- (1650 Other Investments and Advances
- (1600 Investments and Advances-Associated Companies

Special Funds:

Deferred and Miscellaneous Debits:

Deferred Debits:

- 180 Prepayments

- 1800 Prepayments

- 189 Other Deferred and Miscellaneous Debits

- (1890 Other Deferred Debits
- (1880 Unamortized Debt Discount and Expense

ACCOUNTS PRESCRIBED FOR CLASS II AND CLASS III CARRIERS

ACCOUNTS PRESCRIBED FOR CLASS I CARRIERS

189 Other Deferred and Miscellaneous Debits (cont'd)

Miscellaneous Debit Items:

2400 Unamortized Premium on Debt
 2400 Reserve for Depreciation - Carrier Operating Property
 2400 Reserve for Depreciation - Structures
 2400 Reserve for Depreciation - Revenue Equipment
 2400 Reserve for Depreciation - Service Cars and Equipment
 2400 Shop and Office Equipment

1900 Discount on Capital Stock
 1910 Commission and Expense on Capital Stock
 1920 Reacquired Securities
 1990 Nominally Issued Securities

LIABILITIES

LIABILITIES

Current Liabilities:

Current Liabilities:

200 Notes Payable
 205 Accounts Payable
 207 Wages Payable
 208 Unredeemed Tickets
 209 C.O.D.'s Unremitted
 212 Taxes Accrued

2000 Notes Payable
 2020 Matured Equipment and Long-Term Obligations
 2050 Accounts Payable
 2070 Wages Payable
 2080 Unredeemed Tickets
 2090 C.O.D.'s Unremitted
 2120 Taxes Accrued

218 Other Current Liabilities

(2180) Other Current Liabilities

219 Equipment Obligations and Other Debt Due Within One Year

(2030) Payables to Associated Companies
 (2100) Dividends Declared
 (2150) Interest Accrued
 (2160) Matured Interest
 2190 Equipment Obligations and Other Debt Due Within One Year

Advances Payable:

Advances Payable:

225 Advances Payable

(2250) Other Advances Payable
 (2200) Advances Payable-Associated Companies

Equipment and Other Long-Term Obligations:

Equipment and Other Long-Term Obligations:

230 Equipment Obligations

2300 Equipment Obligations

236 Other Long-Term Obligations

(2360) Other Long-Term Obligations
 (2330) Bonds

2800 Safe Proprietorship Capital
 2810 Partnership Capital

2800 Safe Proprietorship Capital
 2810 Partnership Capital

**ACCOUNTS PRESCRIBED FOR CLASS II
AND CLASS III CARRIERS**

**CLASS I ACCOUNTS FOR
ACCOUNTS PRESCRIBED FOR CLASS II
AND CLASS III CARRIERS**

Deferred Credits:

245 Deferred Credits

Deferred Credits:

(2450 Other Deferred Credits)
(2400 Unamortized Premium on Debt)

Reserves:

250 Reserve for Depreciation -
Carrier Operating Property

- 251 Structures
- 252 Revenue Equipment
- 253 Service Cars and Equipment
- 254 Shop and Garage Equipment
- 255 Furniture and Office Equipment

256 Other Carrier Property

259 Carrier Operating Property
Leased to Others

261 Reserve for Depreciation -
Non-Carrier Property

269 Other Reserves

Reserves:

2500 Reserve for Depreciation -
Carrier Operating Property

- 2511 Structures
- 2521 Revenue Equipment
- 2531 Service Cars and Equipment
- 2541 Shop and Garage Equipment
- 2551 Furniture and Office Equipment

(2561 Miscellaneous Equipment
(2571 Improvements to Leasehold
Property

(2581 Undistributed Property
(2600 Reserve for Amortization -
Carrier Operating Property

2591 Carrier Operating Property
Leased to Others

2610 Reserve for Depreciation and
Amortization - Other Property

(2690 Other Reserves

- (2650 Reserve for Uncollectible Accounts
- (2660 Insurance Reserves
- (2680 Injuries, Loss and Damage Reserves

Corporate Capital and Surplus:

270 Preferred Stock

271 Common Stock

290 Capital Surplus

293 Earned Surplus

Non-Corporate Capital:

280 Sole Proprietorship Capital

281 Partnership Capital

Capital Stock:

2700 Preferred Capital Stock

(2710 Common Capital Stock

(2730 Capital Stock Subscribed

Unappropriated Surplus:

(2900 Unearned Surplus

(2720 Premiums and Assessments on Capital
Stock

2930 Earned Surplus

Non-Corporate Capital:

2800 Sole Proprietorship Capital

2810 Partnership Capital

INCOME ACCOUNTS II CLASS III CARRIERS
OPERATING REVENUES

ACCOUNTS PRESCRIBED FOR CLASS II AND CLASS III CARRIERS

300 Operating Revenues

- 320 Passenger Revenue
 - 320.1 Intrastate
 - 320.2 Interstate

- 321 Special Bus Revenue (Charter)
 - 321.1 Intrastate
 - 321.2 Interstate

- 322 Freight Revenue
 - 322.1 Intrastate
 - 322.2 Interstate

- 360 Miscellaneous Station Revenue

- 390 Other Operating Revenue

CLASS II ACCOUNTS

3000 Operating Revenues

- 3200 Passenger Revenue

- 3210 Special Bus Revenue

- (3220 Baggage Revenue
- (3300 Mail Revenue
- (3400 Express Revenue
- (3500 Newspaper Revenue

- 3600 Miscellaneous Station Revenue

- 3900 Other Operating Revenue

OPERATION AND MAINTENANCE EXPENSES

400 Operation and Maintenance Expenses

410 Equipment Maintenance and Garage Expense

- 411 Labor
- 412 Materials and Supplies
- 413 Outside Services
- 414 Other Expenses

- 416 Tires and Tubes - Revenue Equipment

4000 Operation and Maintenance Expenses

4100 Equipment Maintenance and Garage Expense

- (4110 Supervision of Shop and Garage
- (4121 Repairs to Shop and Garage Equipment
- (4122 Operation and Maintenance of Service Equipment
- (4123 Repairs to Shop and Garage Buildings and Grounds
- (4131 Light, Heat, Power and Water for Shops and Garages
- (4132 Other Shop and Garage Expenses
- (4140 Repairs to Revenue Equipment
- (4150 Servicing of Revenue Equipment

- 4160 Tires and Tubes - Revenue Equipment

ACCOUNTS PRESCRIBED FOR CLASS II AND CLASS III CARRIERS CLASS I ACCOUNTS

420 Transportation Expense
 421 Supervision of Transportation
 422 Drivers' Wages and Bonuses
 423 Fuel
 424 Oil
 426 Other Transportation Expenses

430 Station Expense
 431 Salaries and Commissions
 (Employees)
 432 Supplies and Repairs
 433 Commissions-Net (Others)
 436 Other Station Expenses

440 Traffic, Solicitation and Advertising Expense
 441 Salaries and Expenses
 445 Other Traffic Expenses
 450 Insurance and Safety Expense
 452 Public Liability and Property Damage Insurance

4200 Transportation Expense
 4210 Supervision of Transportation
 4220 Drivers' Wages and Bonuses
 4230 Fuel for Revenue Equipment
 4240 Oil for Revenue Equipment
 (4264 Other Transportation Expenses
 (4250 Purchased Transportation
 (4261 Road Expense
 (4262 Bridge, Tunnel and Ferry Tolls
 (4263 Wages of Miscellaneous Transportation Employees

4300 Station Expense
 4311 Salaries and Commissions
 (4314 Supplies and Expenses
 (4319 Repairs to Station Buildings and Equipment
 (4331 Commissions Paid
 (4332 Other Expenses Allowed
 (4340 Interline Commissions Paid
 (4350 Interline Commissions Earned-Credit
 (4360 Collection and Delivery
 (4370 Purchased Collection and Delivery

4400 Traffic, Solicitation and Advertising Expense
 4410 Salaries and Expenses
 (4450 Other Traffic Expenses
 (4430 Tariffs and Schedules
 (4440 Tickets and Baggage Checks
 (4470 Advertising

4500 Insurance and Safety Expense
 (4520 Public Liability and Property Damage Insurance
 (4530 Injuries and Damages

ACCOUNTS PRESCRIBED FOR CLASS II
AND CLASS III CARRIERS

CLASS I-ACCOUNTS

- 454 Workmen's Compensation Insurance
- 455 Other Insurance and Expenses

- (4541 Workmen's Compensation-Insurance
- (4546 Workmen's Compensation-Self Insurer
- (4550 Baggage and Express Insurance
- (4560 Baggage and Express Loss and Damage
- (4570 Fire and Theft Insurance
- (4580 Other Insurance
- (4510 Salaries and Expenses-Insurance and Safety

460 Administrative and General Expense

4600 Administrative and General Expense

- 461.1 Salaries of General Officers
- 461.2 Salaries of General Office Employees
- 462 Outside Legal and Accounting Expenses

- 4611 Salaries of General Officers
- 4613 Salaries of General Office Employees
- (4620 Law Expenses
- (4651 Outside Auditing Expenses

463 General Office Supplies Expenses and Services

(4630 General Office Supplies and Expenses

465 Employees' Welfare Expenses

(4640 Communication Service

466 Other General Expenses

4652 Employees' Welfare Expenses

- (4656 Other General Expenses
- (4655 Purchasing and Store Expenses
- (4660 Management and Supervision Fees and Expenses
- (4671 Franchise Requirements-Debit
- (4672 Franchise Requirements-Credit
- (4673 Other Regulatory Commission Expenses
- (4680 Uncollectible Revenues
- (4692 Expenses of General Officers
- (4616 Expenses of General Office Employees

- (4656 Other General Expenses
- (4655 Purchasing and Store Expenses
- (4660 Management and Supervision Fees and Expenses
- (4671 Franchise Requirements-Debit
- (4672 Franchise Requirements-Credit
- (4673 Other Regulatory Commission Expenses
- (4680 Uncollectible Revenues
- (4692 Expenses of General Officers
- (4616 Expenses of General Office Employees

DEPRECIATION EXPENSE

500 Depreciation Expense

5000 Depreciation Expense

- 501 Depreciation of Structures
- 502 Depreciation of Revenue Equipment
- 503 Depreciation of Service Cars and Equipment

- 5011 Depreciation of Structures
- 5021 Depreciation of Revenue Equipment
- 5031 Depreciation of Service Cars and Equipment

**ACCOUNTS PRESCRIBED FOR CLASS II
AND CLASS III CARRIERS**

CLASS I ACCOUNTS

504 Depreciation of Shop and
Garage Equipment
505 Depreciation of Furniture and
Office Equipment

5041 Depreciation of Shop and
Garage Equipment
5051 Depreciation of Furniture and
Office Equipment

506 Depreciation of Other Carrier
Property

(5061 Depreciation of Miscellaneous
Equipment
(5071 Depreciation of Improvements
to Leasehold Property
(5081 Depreciation of Undistributed
Property

509 Depreciation Adjustment

5091 Depreciation Adjustment

AMORTIZATION EXPENSE

510 Amortization of Carrier Operating
Property

5100 Amortization of Carrier Operating
Property

TAXES AND LICENSES

520 Operating Taxes and Licenses

5200 Operating Taxes and Licenses

521 Fuel Taxes

5210 Gasoline, Other Fuel and Oil
Taxes

522 Vehicle License and Regis-
tration Fees

5220 Vehicle License and Regis-
tration Fees

524 Payroll Taxes

5240 Social Security Taxes

525 Property and Other Taxes

(5230 Real Estate and Personal
Property Taxes
(5250 Other Taxes

OPERATING RENTS

530 Operating Rents - Net

5300 Operating Rents - Net

531 Equipment Rents - Net

(5310 Equipment Rents - Debit
(5350 Equipment Rents - Credit

532 Other Operating Rents - Net

(5320 Other Operating Rents - Debit
(5340 Joint Facility Rents - Debit
(5360 Rent from Owned Land and
Structures
(5370 Sublease Rental Income
(5390 Joint Facility Rents - Credit

OTHER INCOME

ACCOUNTS PRESCRIBED FOR CLASS II
AND CLASS III CARRIERS

600 Other Noncarrier, Nonoperating
Income

CLASS I ACCOUNTS

(6000 Net Income From Noncarrier Operations
(6100 Net Income From Nonoperating Property
(6200 Interest Income
(6300 Dividend Income
(6400 Income From Sinking and Other Funds
(6500 Other Nonoperating Income

INCOME DEDUCTIONS

700 Interest

(7000 Interest on Long-Term Obligations
(7100 Other Interest Deductions
(7200 Taxes Assumed on Interest

750 Other Income Deductions-Net

(7500 Other Deductions
(7300 Amortization of Debt Discount and
Expense
(7400 Amortization of Premium on Debt-
Credit

INCOME TAXES

800 Income Taxes on Ordinary Income
(Corporations Only)

8000 Income Taxes on Ordinary Income
8010 Federal Income Taxes
8020 State Income Taxes
8030 Other Income Taxes

EXTRAORDINARY AND PRIOR PERIOD ITEMS

901 Extraordinary and Prior Period
Items - Net

9010 Extraordinary Items - Net
9030 Prior Period Items - Net
9050 Income Taxes on Extraordinary and
Prior Period Items