

**ORIGINAL**

Decision No. 82572

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

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

Case No. 4967

FIFTEENTH SUPPLEMENTAL ORDER IN CASE NO. 4713

NINTH SUPPLEMENTAL ORDER IN CASE NO. 4967

By Decision No. 70040, dated December 7, 1965, as supplemented by Decision No. 74012, dated April 23, 1968, Decision No. 74165, dated May 28, 1968, and Decision No. 75031, dated December 3, 1968, in the above-entitled matters, this Commission adopted and prescribed the Uniform System of Accounts for Class I and Class II Common and Contract Motor Carriers of Property, Issue of 1965, prescribed by the Interstate Commerce Commission, together with certain modifications, and also prescribed a condensation thereof in the form of a comparison Chart of Accounts for certain Class III carriers.

Effective January 1, 1974, the Interstate Commerce Commission revised said system of accounts. The revisions are too numerous and complex to list in this Decision; however, said revisions are enumerated in Appendix B of said uniform system of accounts. The Interstate Commerce Commission adopted the revised system of accounts pursuant to Order No. 32155 (Sub. No. 2) issued on March 21, 1973, applicable to Motor Carriers of Property and (Sub. No. 3) issued on October 12, 1973, applicable to Motor Carriers of Property for Household Goods Operations.

Section 792 of the Public Utilities Code reads as follows:

"The commission may establish a system of accounts to be kept by the public utilities subject to its jurisdiction, or classify such public utilities and establish a system of accounts for each class, and may prescribe the manner in which such accounts shall be kept. It may also prescribe the forms of accounts, records, and memoranda to be kept by such public utilities, including the accounts, records, and memoranda of the movement of traffic as well as the receipts and expenditures of moneys, and any other forms, records, and memoranda which in the judgment of the commission may be necessary to carry out any of the provisions of this part."

Section 793 of the Public Utilities Code reads as follows:

"The system of accounts and the forms of accounts, records, and memoranda prescribed by the commission for corporations subject to the regulatory authority of the United States, shall not be inconsistent with the systems and forms from time to time established for such corporations by or under the authority

of the United States. Nothing in this section or Section 794 shall affect the power of the commission to prescribe forms of accounts, records, and memoranda covering information in addition to that required by or under the authority of the United States."

The Commission has considered further the above-entitled matters and finds that: (1) Section 793 of the Public Utilities Code requires that the system of accounts prescribed by this Commission for motor carriers of property subject to the jurisdiction of both this Commission and the Interstate Commerce Commission shall not be inconsistent with that prescribed by the latter Commission; (2) numerous motor carriers of property are subject to the jurisdiction of both said Commissions; and (3) the adoption by this Commission of said system of accounts, together with hereinafter listed modifications and subdivisions, effective January 1, 1974, of the accounts affecting the California operations, would simplify the accounting and reporting requirements imposed upon a large number of motor carriers of property and would coordinate the accounting requirements prescribed by this Commission with those prescribed by the Interstate Commerce Commission.

On the basis of the foregoing findings, we conclude that this Commission should adopt said Uniform System of Accounts for Class I and Class II Common and Contract Motor Carriers of Property effective January 1, 1974 as hereinafter modified and expanded, except that Class III Certificated and Permitted Motor Carriers of Property shall continue to follow the Chart of Accounts prescribed by this Commission in Decision No. 70040, Case No. 4713, and presently in effect, and further, that all

Class III Certificated Motor Carriers of Property with a three-year average annual revenue from transportation of property of less than \$500,000 and all Class III Permitted Carriers with a three-year average annual revenue from transportation of property of \$300,000 but not more than \$500,000, and all Class I and Class II Carriers shall file with this Commission an annual report in such form and in such content as may be prescribed.

In adopting and prescribing said Uniform System of Accounts as modified and expanded, 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 in the accounts. A public hearing is not necessary.

IT IS ORDERED that:

1. The Uniform System of Accounts for Class I and Class II Common And Contract Motor Carriers of Property, effective January 1, 1974 as modified and expanded in Ordering Paragraph No. 2 hereof, is adopted and prescribed by the Public Utilities Commission of the State of California for the following classes of common and contract motor carriers of property as defined in the uniform system of accounts:

"Class I: Carriers having average annual gross operating revenues (including interstate and intrastate) of \$3,000,000 or more from motor carriers transportation of property."

"Class II: Carriers having average annual gross operating revenues (including interstate and intrastate) of \$500,000 but less than \$3,000,000 from motor carrier transportation of property."

2. The following addenda should be inserted into the Uniform System of Accounts for Class I and Class II Common and Contract Motor Carriers of Property, effective January 1, 1974, prescribed by the Interstate Commerce Commission:

Instruction 3. "Accounting Period."

This Commission will require that each carrier keep its books on the basis of a calendar year. This Commission will not approve the alternative accounting period authorized by the Interstate Commerce Commission of 13 four-week periods ending at the close of one of the last seven days of each calendar year.

REVENUE ACCOUNTS FOR CLASS I AND CLASS II MOTOR CARRIERS OF PROPERTY (except HOUSEHOLD GOODS CARRIERS)

- 3100 Freight Revenue - Intercity - Common Carrier - (CONTROL)
- 3101 Freight Revenue - Intercity - Common Carrier - (INTERSTATE)  
(TRANSPORTATION REVENUE ONLY Include California portion of Interstate)
- 3102 Accessorial Revenue - Intercity - Common Carrier - (INTER-STATE)  
(INCLUDE ALL ACCESSORIAL SERVICES SHOWN IN ACCOUNT 3100, ITEMS (1) through (9) OF UNIFORM SYSTEM OF ACCOUNTS EXCEPT ITEM (5) Include California portion of Interstate)
- 3103 Freight Revenue - Intercity - Common Carrier - (INTRASTATE)  
(TRANSPORTATION REVENUE ONLY HAVING ORIGIN AND DESTINATION WITHIN THE STATE OF CALIFORNIA)

- 3104 Accessorial Revenue - Intercity - Common Carrier - (INTRA-  
STATE)  
(INCLUDE ALL ACCESSORIAL SERVICES  
SHOWN IN ACCOUNT 3100, ITEMS (1)  
through (9) OF UNIFORM SYSTEM OF  
ACCOUNTS EXCEPT ITEM (5))
- 3200 Freight Revenue - Intercity-Contract Carrier - (CONTROL)
- 3201 Freight Revenue - Intercity - Contract Carrier - (INTERSTATE)  
(TRANSPORTATION REVENUE ONLY)
- 3202 Accessorial Revenue - Intercity - Contract Carrier - (INTER-  
STATE)  
(ALL ACCESSORIAL REVENUE SHOWN IN  
ACCOUNT 3200, ITEMS (1) through  
(7) OF UNIFORM SYSTEM OF ACCOUNTS  
EXCEPT ITEM (3))
- 3203 Freight Revenue - Intercity - Contract Carrier - (INTRASTATE)  
(TRANSPORTATION REVENUE ONLY)
- 3204 Accessorial Revenue - Intercity - Contract Carrier - (INTRA-  
STATE)  
(ALL ACCESSORIAL REVENUE SHOWN IN  
ACCOUNT 3200, ITEMS (1) through  
(7) OF UNIFORM SYSTEM OF ACCOUNTS  
EXCEPT ITEM (3))
- 3300 Freight Revenue - Local Cartage - (CONTROL)
- 3301 Freight Revenue - Local Cartage - (INTRASTATE)  
(TRANSPORTATION REVENUE ONLY)
- 3302 Accessorial Revenue - Local Cartage - (INTRASTATE)  
(ALL ACCESSORIAL REVENUE SHOWN IN  
ACCOUNT 3300, ITEMS (1) through  
(6) AS SHOWN IN UNIFORM SYSTEM  
OF ACCOUNTS EXCEPT ITEMS (1) AND  
(2))

3303 Private Property Revenue

(THIS ACCOUNT SHALL BE USED TO ACCUMULATE ALL FREIGHT AND ACCESSORIAL REVENUE EARNED WHOLLY ON PRIVATE PROPERTY. THIS ACCOUNT WILL SUPPORT PRIVATE PROPERTY DEDUCTIONS TAKEN ON GROSS OPERATING REVENUE REPORTS TO THE PUBLIC UTILITIES COMMISSION)

3400 Intercity Transportation for Other Motor Carriers - (CONTROL)

3401 Sub-haul - (INTERSTATE)

(INTERLINING WITH OTHER CARRIERS)

3402 Sub-haul - (INTRASTATE)

(REVENUE IN THIS CATEGORY MUST BE INCLUDED IN GROSS OPERATING REVENUE REPORTED TO CALIFORNIA COMMISSION AND MUST BE SUPPORTED WITH FEE STATEMENT FROM PRIME CARRIER TO SUBSTANTIATE DEDUCTIONS)

3900 Other Operating Revenue

NOTE: Revenue earned in connection with Items (17) and (18) shall be set up in memorandum form so that the entries may be easily analyzed.

3. Certificated Class III Motor Carriers of Property are carriers having average annual gross operating revenue (including interstate and intrastate) of less than \$500,000 from motor carrier of property operations.

4. Permitted Class III Motor Carriers of Property are carriers having average annual gross operating revenue (including interstate and intrastate) of \$300,000 but less than \$500,000 from motor carrier of property operations.

5. The uniform system of accounts adopted and prescribed herein for Class I and Class II Motor Carriers of Property supersedes that contemplated by Decision No. 70040.

6. The Secretary of this Commission is hereby directed to give notice as required by Section 794 of the Public Utilities Code by transmitting a copy of this order to each carrier to which it is applicable.

7. The effective date of this order shall be July 1, 1974, unless within fifteen days after receipt of this decision a carrier requests, in writing, a public hearing, in which event the effective date shall be stayed until further order of this Commission. However, any carrier may, at its option, adopt the amendments prescribed herein retroactive to January 1, 1974.

8. In the event this order is stayed, the Secretary of this Commission shall so notify, in writing, each carrier to which it is applicable.

Dated at San Francisco, California, this 12th day of MARCH, 1974.

Vernon L. Stinson  
President  
William J. Sproul  
J. Muller  
Commissioners