

LAM

ORIGINAL

Decision No. 83416

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION OF NACAL, INC. FOR)
EXEMPTION FROM THE CALENDAR)
YEAR ACCOUNTING PERIOD)
REQUIREMENTS.)

Application No. 55105
(Filed August 12, 1974)

O P I N I O N

Nacal, Inc. seeks authority to utilize a thirteen-period accounting system as an exemption from a portion of Decision No. 82572, dated March 12, 1974, which portion reads as follows:

"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."

Applicant is a California corporation operating under the jurisdiction of this Commission as a household goods carrier and a radial highway common carrier. It is a wholly-owned subsidiary of North American Van Lines, Inc., a carrier operating under the jurisdiction of the Interstate Commerce Commission, which carrier is a wholly-owned subsidiary of PepsiCo, Inc. The latter corporations utilize a thirteen-period accounting basis.

For accounting and financial control purposes, applicant asserts it is essential that the three corporations utilize

similar accounting systems. Applicant argues that if it is not permitted to utilize a thirteen-period accounting system, the results will be as follows:

1. It will greatly inconvenience and complicate the rendition of accounts and preparation of financial information for the three companies, particularly when such information must be in a consolidated form.
2. The yearly closing of its books will not correspond with the yearly closing of books for the other two corporations, thus resulting in delays and complications in annual audits, as well as increased auditing costs.

After consideration we find that:

1. This Commission has consistently required Class I and Class II Common and Contract Motor Carriers of Property subject to its accounting jurisdiction to keep their books on the basis of a calendar year.
2. On March 12, 1974 in Decision No. 82572, this Commission set forth its policy not to 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.
3. No carrier, including applicant, requested a public hearing.
4. This Commission's policy against thirteen-period accounting systems applies to all types of public utilities subject to its accounting jurisdiction.

On the basis of the foregoing findings we conclude that the application should be denied. Inasmuch as no dispute exists as to facts, a public hearing is not necessary.

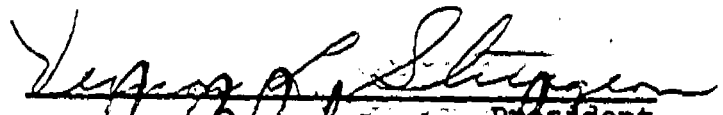
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O R D E R


IT IS ORDERED that Application No. 55105 is hereby denied.

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

Dated at San Francisco, California, this
11th day of SEPTEMBER, 1974.



President




Commissioners

Commissioner William Swmons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.