

ORIGINALDecision No. 66182

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of JOSEPH A. SMILEY,)
 dba Central Exchange Mobile Radio,)
 to operate a one-way signaling)
 service at Mountain View,)
 California; and to establish)
 rates.)

Application No. 45276

Joseph A. Smiley, for Central Exchange
 Mobile Radio, applicant.
E. Macario, for the Commission staff.

O P I N I O N

This application was heard before Examiner Coffey at San Francisco on May 21 and June 27, 1963, and was submitted on July 29, 1963, upon the completion of the transcripts of the hearings. Copies of the application and notice of hearing were served in accordance with the Commission's procedural rules. There were no protests.

Applicant requests the issuance of a certificate of public convenience and necessity to construct a one-way radio signaling station at 1100 El Camino Real, Mountain View, California, and to operate a one-way radio signaling service in the area of Mountain View, California.

Applicant presently operates a central exchange telephone answering system and a radiotelephone common carrier service in Mountain View, which was authorized by Decision No. 63572, dated April 17, 1962. Applicant requests authority to operate a one-way signaling service in the area of Mountain View, California.

A service grade signal will be available to the following cities: Agnew, Alvarado, Alviso, Centerville, Irvington, Los Altos, Milpitas, Newark, Palo Alto, Redwood City, San Jose, Santa Clara and Sunnyvale.

Applicant proposes the installation of a base radio station with a rated power amplifier output of 350 watts feeding a high gain antenna through coaxial cable. One-way signals from the base station will cause a pocket receiver to actuate a signaling device in the receiver or will communicate information.

Application will be made to the Federal Communications Commission for a construction permit for said facilities.

Applicant proposes that subscriptions for one-way signaling service will be accepted in the following order of precedence:

- a. Public Safety and Health
- b. Public Service
- c. Quasi Public Service
- d. Physically Handicapped
- e. Industrial
- f. Traveling Public
- g. All Others

The applicant proposes the following rates for one-way signaling service:

Proposed Rates

A. Subscriber furnishing own paging equipment

(1) Selective tone signal service:

\$10 per month per unit for first 75 calls, and
10 cents for each additional call.

(2) Selective tone signal and voice message service:

\$15 per month per unit for first 75 calls, and
10 cents for each additional call.

B. Applicant furnishing paging equipment

(1) Selective tone signal service:

Rates same as under "A".

(2) Selective tone signal and voice message service:

Rates same as under "A".

(3) Rental of one-way paging equipment:

\$7 per month per unit.

(4) Maintenance of one-way paging equipment:

\$2.50 per month per unit.

To demonstrate the public requirements for one-way signaling service in the area under consideration, the applicant introduced Exhibit 2 consisting of 32 letters from individuals or organizations stating their interest in subscribing to or the need of the proposed service. In addition, a doctor testified that the proposed service will be a very helpful aid to medical practice in the area and that approximately 225 doctors, in addition to other businesses and professions, will have subscribed to the proposed service at the end of two years. Applicant alleges that the proposed service will enable him to provide the public with a full range of secretarial, message relay, two-way communications and one-way signaling services. Further, applicant alleges no existing carrier is providing one-way signaling service within applicant's proposed service contour (43 dbu).

Applicant presented testimony by one witness and an exhibit to show estimated separated results of operation for twelve months based on sixty customers as follows:

Revenue	\$10,200
Operating Expenses	9,180
Operating Taxes	852
Depreciation	636
Total Expenses	<u>10,668</u>
Net Revenue	132
Average Investment	1,930
Return on Average Investment	6.3%

Applicant has not formulated a complete set of rules for his public utility operation. Applicant indicated willingness to accept a certificate conditioned by the requirements that within one year he would file revised and amplified rules and tariffs and that he would file an annual report which would adequately report his utility operations.

Upon consideration of the evidence, the Commission finds that:

1. The public has need for the proposed service which is not presently available, or obtainable by the use of other services.
2. Public convenience and necessity require that applicant construct and operate the proposed system.
3. Applicant possesses the financial resources to construct and operate the proposed system.
4. The rates set forth in Appendix A attached hereto are fair and reasonable for the service to be rendered.

The Commission concludes that:

1. The application should be granted as set forth in the ensuing order.
2. Applicant should file rules, standard forms and other tariff sheets as needed to define the conditions of rendering public utility service.

The certificate hereinafter granted shall be subject to the following provision of law:

The Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate, or enjoy such certificate of public convenience and necessity in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as the consideration for the issuance of such certificate of public convenience and necessity or right.

The action taken herein is for the issuance of a certificate of public convenience and necessity only and is not to be considered as indicative of amounts to be included in a future rate base for the purpose of determining just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Joseph A. Smiley, authorizing him to construct and operate a one-way signaling station at Mountain View, California, for the rendering of one-way signaling service in the vicinity of Mountain View, California.
2. Applicant is authorized to file, after the effective date of this order, the schedule of rates and charges set forth in Appendix A attached to this order, to be effective on or before the date service is first rendered to the public under the authority herein granted, and rules governing service to subscribers, tariff service area maps and sample copies of printed forms normally used in connection with subscribers' services, in accordance with the requirements of General Order No. 96-A. Such rates, rules, tariff service area maps and forms shall become effective on five days' notice to this Commission and to the public as hereinabove provided.
3. Applicant shall notify this Commission, in writing, of the date service is first rendered to the public under the rates and rules authorized herein, within ten days thereafter.
4. Applicant shall file with this Commission copies of all annual reports made to the Federal Communications Commission.

APPENDIX A

Schedule No. L-2

ONE-WAY SIGNALING SERVICEAPPLICABILITY

Applicable to one-way voice message or signal transmission service from base station to subscriber's pocket receivers.

TERRITORY

Within the one-way signaling service area as shown on filed tariff map.

RATES

	<u>Each Receiver</u> <u>Rate Per Month</u>
1. Where subscriber furnishes receiver:	
a. Selective tone signal, 75 call allowance	\$10.00
Each additional call	.10
b. Selective tone signal and voice message,	
75 call allowance	15.00
Each additional call	.10
2. Where company furnishes receiver:	
a. Selective tone signal, 75 call allowance	19.50
Each additional call	.10
b. Selective tone signal and voice message,	
75 call allowance	24.50
Each additional call	.10

5. The certificate herein granted and the authority to render service under the rates and rules authorized herein will expire if not exercised within two years after the effective date of this order.

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

Dated at San Francisco, California, this 22nd day of OCTOBER, 1963.

[Signature] President
[Signature]
[Signature]
George G. Hoover
Friedrich B. Hallock
Commissioners

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