

Decision No. 69076

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
MORTON A. DAVIS d.b.a. ALL-AMERICAN)
ANSWERING SERVICE, for a certificate)
of public convenience and necessity to)
construct a new radio telephone utility)
system. }

Application No. 47191
(Filed December 15, 1964;
Amended February 9, 1965)

- Laurence W. Ritter, for All-American Answering Service, applicant.
- Lester W. Spillane, for Coast Mobilphone Service, protestant.
- Stanley T. Tomlinson, for the City of Santa Barbara;
- Homer Harris, for Allied Telephone Companies Association; Schauer, Ryan & McIntyre by David M. Yoger, for Jerome Gottlieb, interested parties.
- John Francis Donovan III, in propria persona, interested party.
- Ermet J. Macario, for the Commission staff.

O P I N I O N

This application was heard before Examiner Gillanders at Santa Barbara on February 9 and 10, 1965, and was submitted on February 10. Copies of the application and the notice of hearing were served in accordance with the Commission's procedural rules. The protestant is Coast Mobilphone Service.

Applicant requests the issuance of a certificate of public convenience and necessity to construct a new radio telephone utility system which will provide one-way paging (signalling) service, to locations in Santa Barbara and vicinity. Counsel for applicant requested that Exhibit B attached to the application be amended by substituting a new Exhibit B which shows the 43 DBU contour for an antenna location which meets the zoning requirements of the City of Santa Barbara. The proposed radio system will operate at a frequency of 35.58 mc.

Applicant proposes to offer non-selective one-way paging service at a basic charge of \$12.50 per month, which includes rental charges and allows for 100 messages. For selective one-way paging service, applicant proposes a basic charge of \$18.00 per month, which includes rental charges and allows for 100 messages.

Applicant testified that he is the owner of a telephone answering service located in Santa Barbara and that the paging service would utilize his answering service facilities. He predicted that he would have 100 paging customers within a year or less. The record shows that the estimated cost of the proposed base station facilities and of the acquisition of 12 paging receivers is \$9,000. No borrowing of any type will be necessary to finance the proposed construction, purchases and operation.

To demonstrate the public requirements for service in the Santa Barbara area, applicant presented two witnesses. Both of these witnesses indicated a need and desire for paging service. Neither witness was aware that paging service was already available and, upon being informed of the availability of such service, testified that they would take service from the utility offering the lowest cost service. Applicant testified that he had received numerous letters from professional persons and others expressing a need for paging service.

The owner of Coast Mobilphone Service testified that he has offered signalling service since 1961; that he has never refused to supply signalling service; that he has the equipment available; that he has advertised the service; that he has salesmen trying to sell the service; that at one time he had two pocket paging receivers in operation; and that he now has 19 signalling customers.

Coast Mobilphone Service tariffs fail to set out the specific rate for pocket signalling service. Thus, a comparison with applicant's proposed service cannot be made.

A communications engineer employed by Coast Mobilphone as a consultant testified that from the users' point of view there is no difference in signalling (paging) service rendered on the high (152 mc.) or low (35 mc.) bands; that there is time available for signalling on the base station transmitter; and that 500 signalling customers in the Santa Barbara area could be served on Coast Mobilphone's two VEF channels without a 10 percent degrade of service.

The owner of a telephone answering service located in Santa Barbara testified that during the past few years only 20-25 of his 200 customers showed any interest in signalling service.

A spokesman for the Allied Telephone Companies Association testified that it was the Association's position that it is adverse to the public interest to establish new telephone companies within the operating areas of existing telephone companies and that ultimately there must be only one radio telephone utility in each geographical serving area.

The Commission finds that:

1. The terms "paging service" and "signalling service" are used by applicant and protestant synonymously.
2. Protestant offers signalling service in the area requested by applicant and can accommodate many more customers with his existing facilities than have taken such service since August 1961 or have shown interest in such service.
3. To grant applicant's request would result in an unnecessary assignment of a frequency and wasteful use of a limited natural resource.

4. Dilution of the already marginal market for signalling service in the Santa Barbara area would impair the operations of protestant.

5. Applicant has failed to establish that public convenience and necessity require the proposed service.

The Commission concludes that the application should be denied.

The record herein indicates a need for clarification of protestant's tariffs. The staff will be directed to confer with protestant for this purpose.

O R D E R

IT IS ORDERED that Application No. 47191 is denied.

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

Dated at Los Angeles, California, this 18th day of MAY, 1965.

Frederick B. Hallock
President

George H. Hoover

Augustine

Commissioners

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

Leonard
Peter E. Mitchell