

ORIGINAL

Decision No. 72304

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Suspension of)
One-Way Selective Tone-Only Paging)
Rates filed under Advice Letter)
No. 3 and Investigation on the)
Commission's own motion of said)
rates of AMERICAN MOBILE RADIO INC.)

Case No. 8457
Filed June 28, 1966

Ball, Hunt & Hart, by Clark Heggeness,
for American Mobile Radio, Inc.,
respondent.
Berol, Loughran & Geernaert, by Bruce R.
Geernaert, for George Smith, protestant.
R. W. Russell, by K. D. Walpert, for
City of Los Angeles, interested party.
John D. Quinley, for the Commission staff.

O P I N I O N

By filing (Advice Letter No. 3) made on June 8, 1966,
American Mobile Radio, Inc. (American), proposes a new offering of
one-way selective tone-only paging message and receiver rental
service on its assigned frequency of 35.58 megacycles (low band).
This filing was suspended by the investigation order herein.

By Decision No. 71750, dated December 27, 1966, the
Commission extended the period of suspension to and including May 3,
1967, unless otherwise ordered.

This matter was heard and submitted before Examiner
Gillanders in Los Angeles on November 28, 1966.

American presently provides two-way mobile communications
and tone and voice paging service on a frequency of 152.09 megacycles
(high band) and voice-only paging service on its low-band frequency.
In March 1966, American was authorized by the Federal Communications
Commission to emit tone-only signals on 35.58 megacycles.

American or its predecessors have offered tone-only, selective paging on 152.09 megacycles since 1962. Since that time, the maximum number of subscribers was five for tone-only and at the present time the only subscriber remaining requires tone alerting followed by a voice message.

The filed tariff charges for the high-band tone service are \$12.50 per month for the service, plus \$14 for rental of the receiver, plus \$4.50 per month for maintenance or a total charge of \$31 per month. The rental and maintenance charges are based upon an old style receiver which cost \$450. A modern receiver costs approximately \$260.

American has been providing voice-only paging on 35.58 megacycles since 1954 using a Florac receiver which presently costs \$38. American now serves 382 voice-paging customers at a rate of \$10 per month for unlimited messages. American proposes to superimpose the selective tone-only signals over its voice transmissions. American claims that such an arrangement is not objectionable to the voice-only customers.

American proposes to provide tone-only selective paging on its low-band frequency at a rate of \$10 per month for unlimited messages and to either sell to its customers through a separate corporation the newest model Pagemaster receiver for \$175 or to rent the receiver to its customers for \$10 per month including maintenance. American's owner testified that he has made no tests of the reliable signal coverage using the latest Pagemaster receiver but if experience shows dead spots within his service area he would shift the customer to his high-band frequency which has no dead spots. He further testified that he has made no cost study which would justify the reasonableness of the rates he proposes to charge.

American's customers are definitely cost-conscious and it is American's belief that by offering three types of paging service it could offer a service at attractive rates in the area which the customer frequents.

The protestant in this matter is George Smith who is a Radiotelephone Utility providing tone-only paging service within a portion of the area served by American. It is Smith's position that American's offering is unreasonable and unlawful and should be suspended pending a more thorough study and a more likely proposal to provide the service. In addition, Smith is concerned that since American proposes to use Pagemaster equipment, the same type that he now uses within his present service area and proposes to use within the Los Angeles Basin Area, any service difficulties would likely create a block to use of tone-only selective paging within the entire Long Beach Area.

The staff is of the view that the rates, rules and conditions for one-way selective tone-only paging service as filed by American in Advice Letter No. 3 are reasonable and in accordance with previous Commission decisions regarding new offerings of selective paging by an existing radiotelephone utility which already is offering voice-paging service.

Based upon the record, the Commission finds as follows:

1. The suspension order of December 27, 1966 should be terminated.
2. American shall establish the actual reliable service area, within its certificated area, of the installed equipment which provides selective tone-only paging service by means of an actual field survey and report of performance. Such field survey must be conducted and certified to by a competent radio engineer.

Based on the findings herein, we conclude that American should be authorized to resubmit its proposed tariff sheets.

O R D E R

IT IS ORDERED that:

1. American is directed to file in quadruplicate with this Commission under a new advice letter the same tariff sheets as Cal. P.U.C. Sheets Nos. 16-T and 17-T, filed under Advice Letter No. 3, and on not less than five days' notice to the public and to the Commission, to make said tariffs effective, in conformity with the provisions of General Order No. 96-A.

2. Within ninety days after the effective date of this order, American shall prepare and file with this Commission a written report setting forth the results of the study described in Finding No. 2 above.

3. The suspension order dated December 27, 1966 is terminated. The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 18th day of APRIL, 1967.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners