

**ORIGINAL**

Decision 84 04 013

APR 4 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of General Telephone Company of California, for a certificate of public convenience and necessity under Section 1001 of the Public Utilities Code of the State of California for authority to expand the service area of its existing Southern California personal signaling services.

Application 83-08-06  
(Filed August 2, 1983;  
amended January 25, 1984)

O P I N I O N

Applicant General Telephone Company of California, a California corporation, requests a certificate of public convenience and necessity to construct and operate facilities for the purpose of expanding its public utility one-way radiotelephone paging service in a portion of Southern California. Copies of the application were served on 14 different entities offering radiotelephone service in the area as well as on the counties and major cities within the proposed service area. Notice of the filing of the application appeared in the Commission Daily Calendar of August 3, 1983. One protest, that of ICS Communications (ICS), was filed. Applicant possesses the requisite Federal Communications Commission (FCC) construction permit.

Applicant presently provides telephone and other communication services in portions of twenty counties in the state. Its net worth, including retained earnings, as shown on its balance sheet as of May 31, 1983 attached to the application exceeds \$1 billion. Applicant currently offers tone-only one-way paging service in the Lompoc, Santa Maria, Santa Barbara, Oxnard, Santa Paula, Thousand Oaks, Pomona, Ontario, San Bernardino, and Redlands areas on

frequency 158.1 megahertz (MHz). It also offers the same type of service in the Los Angeles Extended Area as part of a system jointly operated with Pacific Bell. Upon the granting of this application, applicant proposes to freeze these present service offerings and eliminate subscribers to them through attrition or voluntary transfer to applicant's proposed expanded system.

By this application applicant proposes to construct and operate 15 new base stations, all of which will be located in or on structures which presently house other communication facilities of applicant. The new base stations will transmit on frequency 158.1 MHz. Applicant intends to offer tone-only and tone-and-numeric display paging service throughout its proposed paging service area, which is generally bounded by Santa Maria, Newport Beach, Lancaster, and Redlands. Future service will include alphanumeric display paging. The proposed service will permit a customer to initiate a page by first dialing a local telephone number provided through 34 foreign exchange services which will be answered by the control terminal located at Granada Hills, then by dialing the access number of the pager being called. The control terminal is computer controlled and has a maximum capacity of 160,000 paging numbers.

Applicant estimates that its cost to install the proposed facilities will be approximately \$699,000. Its five-year forecast shows that its revenue requirements will be achieved by the end of the third year of operation. Applicant states that its rate will be \$10 per month for service to each tone-only pager and \$10 per month for service to each tone-and-numeric display (with memory) pager.

The expansion of applicant's paging system as proposed will enable applicant to tie together the majority of its customers in Southern California. One system with one frequency will allow its customers to be paged anywhere in the expanded service area and will provide applicant with the ability to more than meet its customers' expectations and requirements. Applicant believes that the market demand for personal signaling services in Southern California is very high. That market now totals over 100,000 customers with annual direct billing in excess of \$25 million and the market is growing at approximately 25% per year. Concerning the present joint service with Pacific Bell, expansion plans for that system tend to grow toward the south, rather than to the areas north and west of the Los Angeles Metropolitan Area which are served by applicant. Substituting applicant's own service for the joint service will give applicant better control over its own future.

ICS' protest asks merely that proceedings in this case be held in suspension until full and final resolution of Application (A.) 60194 and A.60547. In the interim between the time this application was filed and the time it was amended to include copies of applicant's FCC permits A. 60194 and A.60547 were finally decided by Decision (D.) 83-10-12 and D.83-11-92. Hence, the protest has been mooted.

Findings of Fact

1. Applicant requests a certificate to construct and operate facilities for the purpose of expanding its public utility one-way paging service in a service in Southern California as set out in Exhibit C to the application.
2. Applicant possesses the requisite FCC construction permits.
3. Applicant presently operates a tone-only one-way paging service in a great part of the area it intends to serve by this application, and offers a joint one-way tone-only paging service with Pacific Bell in another large part of the area.

4. The new base stations will be located in or on structures which presently house other communication facilities of applicant.

5. The proposed service will offer one-way tone-only and tone-and-numeric display paging.

6. The proposed service will be fully interconnected with the public land line switched telephone service using end-to-end techniques.

7. Applicant estimates that its cost to install the proposed facilities will be approximately \$699,000.

8. Applicant expects to achieve its revenue requirements by the end of the third year of operation of the proposed system.

9. As of May 31, 1983 applicant had a net worth of in excess of \$1 billion.

10. Applicant has the financial resources available to it to construct and operate the proposed system.

11. The proposed service is technically feasible.

12. Public convenience and necessity require the issuance of the requested certificate.

13. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

14. Protestant's objection to the application has been mooted.

15. A hearing is not necessary.

#### Conclusion of Law

The application should be granted.

Only the amount paid to the state for operative rights may be used in rate fixing. The state may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

In view of the fact that applicant's FCC permit expires May 26, 1984 this decision will be made effective today.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to General Telephone Company of California (applicant) for the construction and operation of a public utility one-way radiotelephone system with base stations and service area located as follows:

Base station locations:

1. 1443 East Ramona Boulevard, Baldwin Park. Lat.  $34^{\circ}05' 12''$  N, Long.  $117^{\circ}57' 26''$  W.
2. 211 West "D" Street, Ontario. Lat.  $34^{\circ}04' 00''$  No, Long  $117^{\circ}39' 09''$ , W.
3. Box Springs, 6.5 miles east of Riverside. Lat.  $33^{\circ}58' 05''$  N, Long.  $117^{\circ}17' 13''$  W.
4. 2320 Junipero Avenue, Signal Hill. Lat.  $33^{\circ}47' 57''$  N, Long.  $118^{\circ}09' 43''$  W.
5. 1960 Wilshire Boulevard, Westwood. Lat.  $34^{\circ}03' 28''$  N, Long.  $118^{\circ}26' 41''$  W.
6. 451 South Brand Boulevard, San Fernando. Lat.  $34^{\circ}16' 48''$  N, Long.  $118^{\circ}26' 29''$  W.
7. 1.5 miles east of Lake Hughes, Portal Ridge. Lat.  $34^{\circ}40' 21''$  N, Long.  $118^{\circ}24' 45''$  W.
8. Saddle Peak 2. 3.5 miles NE of Malibu. Lat.  $34^{\circ}04' 32''$  N, Long.  $118^{\circ}39' 30''$  W.

9. 900 South "C" Street, Oxnard. Lat. 34°11' 32" N, Long. 119°10' 47" W.
10. South Mountain, 3 miles SE of Santa Paula. Lat. 34°19' 52" N, Long. 119°01' 22" W.
11. 730 Mira Monte Drive, Santa Barbara. Lat. 34°24' 37" N, Long. 119°42' 26" W.
12. Santa Ynez Peak, 8 miles SE of Santa Ynez. Lat. 34°31' 36" N, Long. 119°58' 39" W.
13. Mt. Santos, 5.6 Miles North of Lompoc. Lat. 34°44' 17" N, Long. 120°26' 40" W.
14. 200 West Church Street, Santa Maria. Lat. 34°57' 06" N, Long. 120°26' 13" W.
15. 1.6 Miles NE of Intersection of Erbes Rd. and Hillcrest Drive, Thousand Oaks. Lat. 34°12' 06" N, Long. 118°49' 50" W.

Service area: As set out on the contour map in Exhibit C to A-83-08-06.

2. Within 30 days after this order is effective, applicant shall file a written acceptance of the certificate granted in this proceeding.

3. Applicant is authorized to file, after the effective date of this order and in compliance with Ordering Paragraph 3, tariffs applicable to the service authorized containing rates, rules, and charges otherwise applicable to its radiotelephone services. The offerings, rates, and charges shall be as proposed in Exhibit E to A.83-08-06. These tariffs shall be effective on not less than five-days' notice.

4. Applicant shall file, after the effective date of this order and compliance with Ordering Paragraph 3, as part of its individual tariff, an engineered service area map (or maps) drawn in conformity with the provisions of the FCC Rule 22.504, commonly known as the "Carey Report," consistent with Exhibit C to A.83-08-06.

5. Applicant shall notify this Commission, in writing, of the date service is first rendered to public under the rates, rules, and charges authorized within five days after service begins.

6. The certificate granted and the authority to render service under rates, rules, and charges authorized will expire if not exercised within 12 months after the effective date of this order.

This order is effective today.

Dated April 4, 1984, at San Francisco, California. ✓

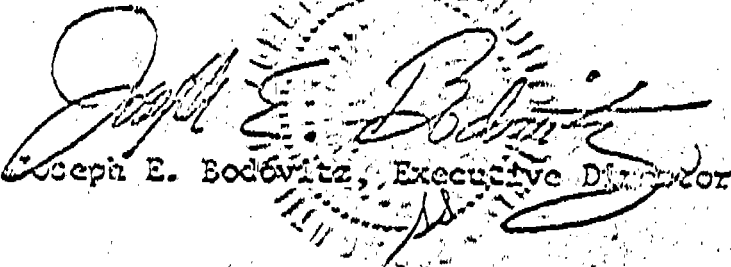
LEONARD M. GRIMES, JR.  
President

VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL

Commissioners

Commissioner William T. Bagley,  
being necessarily absent, did  
not participate.

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS' MEETING

  
Joseph E. Bodovitz, Executive Director

4. The new base stations will be located in or on structures which presently house other communication facilities of applicant.

5. The proposed service will offer one-way tone-only and tone-and-numeric display paging.

6. The proposed service will be fully interconnected with the public land line switched telephone service using end-to-end techniques.

7. Applicant estimates that its cost to install the proposed facilities will be approximately \$699,000.

8. Applicant expects to achieve its revenue requirements by the end of the third year of operation of the proposed system.

9. As of May 31, 1983 applicant had a net worth of in excess of \$1 billion.

10. Applicant has the financial resources available to it to construct and operate the proposed system.

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6. The certificate granted and the authority to render service under rates, rules, and charges authorized will expire if not exercised within 12 months after the effective date of this order.

This order becomes effective 30 days from today.

Dated APR 4 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President

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