

Decision 84 11 011

NOV 7 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
Jerry J. Scrotsky, d.b.a. Mercury
Answering Service, a sole
proprietorship for a certificate of
public convenience and necessity
to provide radiotelephone
service.

Application 84-08-040
(Filed August 8, 1984)

O P I N I O N

Applicant Jerry J. Scrotsky, an individual, dba Mercury Answering Service, requests a certificate of public convenience and necessity to construct and operate public utility one-way and two-way radiotelephone facilities for the purpose of serving Redlands and vicinity. Notice of the filing of the application appeared in the Commission's Daily Calendar of August 13, 1984. The application shows that a copy of the application was served on the principal cities in the proposed service area as well as on ICS Communications, Inc., General Telephone Company of California, Pacific Bell, Mobile Com of San Bernardino, and Comven, Inc. No protests to the application have been received. Applicant possesses the requisite Federal Communications Commission (FCC) construction permit.

Applicant currently operates a telephone answering service in Redlands serving approximately 300 customers. He has operated this business for approximately 10 years. A balance sheet attached to the application shows that as of the date of the filing of the application applicant had a net worth of approximately \$945,000. Applicant estimates that the cost to install the proposed facilities will be approximately \$28,000, to be financed out of his own working capital.

Applicant proposes to provide two-way radiotelephone service twenty-four hours per day, five days per week, and service on weekends as demand for the service dictates. Experienced mobile telephone operators will be available to operate the manual system during all operating hours. One-way service will also be available for tone-and-voice and tone-only service. The proposed service area describes an irregular oval around the City of Redlands with a north-south circumference of 20 miles and an east-west circumference of 25 miles. The schedule of proposed charges for one-way service as set out in Exhibit D to the application are as follows:

MOBILE TELEPHONE RATES FOR CUSTOMER OWNED

\$ 9.75 for 25 minutes per month + 15¢
for each minute over 25

\$17.44 for 100 minutes per month + 15¢
for each minute over 100

BEEPER RATES FOR CUSTOMER OWNED

TONE AND VOICE

\$ 7.00 per month for 25 messages
+ 15¢ for each message
over 25

\$12.00 per month for 75 messages
+ 15¢ for each message
over 75

\$14.50 per month for 100 messages
+ 15¢ for each message
over 100

TONE ONLY

\$ 7.50 per month with unlimited
paging (single tone)

\$ 8.25 per month with unlimited
paging (dual tone)

Applicant estimates that its annual operating and fixed costs will total approximately \$46,000 and that its annual revenue will be approximately \$94,000. Applicant states that the equipment used in the proposed system will be state-of-the-art and of the highest quality. A Decibel Products DB-404 antenna, with an overall height of eighty feet above the ground, and a Quintron QT6700 transmitter will be used. Further technical details, including engineering specifications, field strength, and interference information, are included in Exhibit B to the application. Applicant will receive technical, repair, and maintenance assistance under contract from San Bernardino Industrial Communications. San Bernardino Industrial Communications has in excess of 20 years experience in the communications industry and is actively involved in the repair, maintenance, construction, and sale of a wide variety of communications equipment. Applicant states that the proposed project does not involve or entail construction of any substantial consequence and that the control and base station sites are currently in use for similar electronic purposes.

Applicant alleges that there are presently no radiotelephone common carrier services available in the local Redlands area. The nearest radiotelephone service is approximately fifteen miles away, and applicant understands it is used to capacity, with an eight month waiting list of customers. Furthermore, it does not have a local Redlands telephone line, and therefore all calls are long distance to the customer which increases the cost of completing calls. Through a telephone solicitation of applicant's present answering service customers, applicant found sixty-three percent (63%) of those questioned had an immediate interest in additional service through the use of a mobile telephone or one-way pager in the local Redlands area. The proposed service area encompasses a population of approximately 260,000.

Applicant also requests that the Commission waive compliance with the 30-day filing rule contained in Rule 18(o)(1) of the Commission's Rules of Practice and Procedure as its FCC permit was issued on August 29, 1983. Applicant contends that no one has been prejudiced by the delay in filing and that there have been no competing applications at the FCC for applicant's intended broadcasting frequency. Since the FCC permit was issued prior to promulgation of present Rule 18(o)(1) the waiver will be granted.

Findings of Fact

1. Applicant requests a certificate to construct and operate facilities for the purpose of rendering one-way and two-way public utility radiotelephone service in the Redlands area.
2. Applicant has the requisite FCC permit.
3. Applicant currently operates a telephone answering service in Redlands serving 300 customers.
4. Applicant has a net worth of approximately \$945,000.
5. Installation of the proposed facilities will cost approximately \$28,000 and will be financed out of applicant's current working capital.
6. Applicant's proposed schedule of charges for the service is set out in Exhibit D attached to the application.
7. The proposed system's engineering date is set out in Exhibit B attached to the application.
8. The proposed control and base station sites are currently being used for purposes similar to that which applicant intends to use them.
9. Applicant conducted a telephone survey which indicated to him that there is a public need for the service.
10. The proposed service is economically feasible.
11. The proposed service is technically feasible.

12. Public convenience and necessity require the granting of the application.

13. It can be seen with certainty that there is a possibility that the activity in question may have a significant effect on the environment.

14. Applicant should be subject to the user fee as a percentage of gross intrastate revenue pursuant to Public Utilities Code §§ 431-435. The fee is currently .1% for the 1984-1985 fiscal year.

15. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.

2. Waiver of the 30-day filing requirement of Rule 18(o)(1) of the Commission's Rules of Practice and Procedure 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.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Jerry J. Scrotsky (applicant), an individual, for the construction and operation of a public utility one-way and two-way radiotelephone system with a base station located at 30 East State Street, Redlands (Lat. 34° 13' 22" N, Long. 117° 10' 51" W) and with a service area as shown for that site as indicated on the map in Exhibit C to Application (A.) 84-08-040.

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 the same as listed in Exhibit D to A.84-08-040. This filing shall comply with General Order 96-A. The tariffs shall become effective on not less than 10 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 drawn in conformity with the provisions of the Federal Communications Commission Rule 22.504, commonly known as the "Carey Report", consistent with his proposed service area as shown on Exhibit C to A.84-08-040.

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. Applicant shall keep its books and records in accordance with the Uniform System of Accounts for Radiotelephone Utilities, prescribed by this Commission.

7. Applicant shall file an annual report, in compliance with General Order 104-A, on a calendar-year basis using CPUC Annual Report Form L and prepared in accordance with the instructions included in that form.

8. 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.

9. The 30-day filing requirement of Rule 18(o)(1) of the Commission's Rules of Practice and Procedure is waived.

10. Applicant is subject to the user fee as a percentage of gross intrastate revenue under Public Utilities Code §§ 431-435.

11. The application is granted as set forth above.

This order becomes effective 30 days from today.

Dated November 7, 1984, at San Francisco, California.

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director

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13. It can be seen with certainty that there is a possibility that the activity in question may have a significant effect on the environment.

14. A public hearing is not necessary.

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2. Waiver of the 30-day filing requirement of Rule 18(o)(1) of the Commission's Rules of Practice and Procedure should be granted.

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