

Decision 84-11-012 November 7, 1984

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
Hendrix Radio Communications, Inc., )  
d.b.a. Cal-Com Radio Telephone )  
Service, a California corporation )  
for a certificate of public )  
convenience and necessity to add )  
new facilities and serve additional )  
territory. )

Application 84-08-041  
(Filed August 8, 1984)

O P I N I O N

Applicant Hendrix Radio Communications, Inc., dba Cal-Com Radio Telephone Service, 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 service in and around San Diego. Notice of the filing of the application was published in the Commission's Daily Calendar of August 13, 1984. The application shows that copies of the application were served on the principal cities within the expanded service area as well as on Gencom, Incorporated, American Paging, Inc., Pactel Mobile Access, Pacific Bell, Radio Relay, Page America Communications of California, Inc., and Chalfont (ICS). No protests to the application have been received. Applicant possesses the requisite Federal Communications Commission (FCC) construction permit.

Applicant and its parent Hendrix Electronics have over 25 years experience in radio leasing and repair, community repeaters, and the radiotelephone industry, including automatic and manual two-way mobile and one-way paging services. Applicant presently operates public utility radiotelephone services at Blythe, El Centro, and San Diego. The balance sheet attached to the application shows that applicant, as of March 31, 1984 had a net worth of approximately \$407,388.86, including goodwill of \$107,569.00.

Applicant currently operates from a transmitter site on Mt. San Miguel from which it provides two-way radiotelephone service over frequencies 454.075 megahertz (MHz) and 454.125 MHz and one-way paging service on frequency 35.60 MHz. Its 35.60 MHz service area describes a semicircular land area beginning on the Pacific Coast 4 miles north of Encinitas thence southeast to the vicinity of Lakeside, thence southwest to the Pacific Coast at the California-Mexican border. Applicant proposes to establish two additional base stations for one-way paging service for the purpose of extending its present San Diego service area to the northeast, east, and southeast. The new base stations will be operated in connection with its present Mt. San Miguel base station. Both of the new base station sites are currently occupied by radiotelephone transmitters.

Applicant estimates the cost of the proposed extension for the two sites to be approximately \$25,000 and the annual operating costs, both fixed and operating, to be approximately \$50,000. Applicant estimates annual revenues to be approximately \$60,000. Applicant expects to finance the costs of the proposed construction from internally generated funds.

Rates and charges for the expanded service will be the same as applicant is now charging for service on frequency 35.60 MHz.

Applicant and Hendrix Electronics maintain a technical staff that is fully qualified to service and maintain radiotelephone utility facilities. The technical staff is on call twenty-four hours a day in the event that emergency maintenance or repair is required. Applicant also operates a maintenance shop in San Diego, at the above address, which is equipped with all necessary equipment to test, operate, and maintain the system. The engineering data for the proposed system is set forth in Exhibits A, B, & C to the application.

Applicant alleges that the proposed new facilities and service are essential if the public is to receive satisfactory service because of the need for wide area paging service.

Applicant's present territory does not include Escondido or Del Mar and the traffic corridors along Highways 8 and 163, but the proposed expansion does. Thus many of applicant's customers are presently unable to use their receivers when they return home in the evening or on their normal driving routes. Applicant's survey of potential customers indicated a very limited market for such a limited service territory, and many customers have requested service in the expanded area. Applicant notes that it plans to direct its transmitters from the North (Mt. Soledad and Mt. Woodson) to the South into its present service area to minimize the expanded service area needed to accomplish the necessary territorial expansion and to strengthen the signal for better penetration.

Applicant has also requested that the 30-day filing requirement in Rule 18(o)(1) of the Commission's Rules of Practice and Procedure be waived as the subject FCC permit was granted more than 30 days preceding the filing of the application. The FCC permit assigns applicant frequency 35.60 MHz and permits applicant to build three base stations: one base station on Mt. San Miguel, another on Mt. Soledad, and another on Mt. Woodson. When applicant received the one-way FCC permit it installed and started to operate a one-way base station on Mt. San Miguel, without obtaining a Commission certificate, under the exemption provisions of Public Utilities (PU) Code § 1001 which provides that a certificate is not necessary "for an extension within or to a territory already served by it", as applicant was already certificated to provide two-way service in the service area covered by the one-way Mt. San Miguel base station. Applicant believed that the one-way service to be provided under the

other authorizations in its FCC permit would also be exempted by the other provisions of PU Code § 1001, but after informal discussions with the Commission's Communications staff it was determined that the service areas of the proposed Mt. Soledad and Mt. Woodson base stations were sufficiently outside of the Mt. San Miguel two-way service area as to require a certificate, hence, the delay in filing this application. Under the circumstances we believe that a waiver should be granted.

We also believe that to prevent confusion in the future we should also include in any certificate issued herein authority for applicant to also construct and operate its one-way base station located on Mt. San Miguel.

Findings of Fact

1. Applicant requests a certificate to construct and operate facilities for the purpose of expanding its public utility one-way radiotelephone service in the San Diego area.
2. Applicant possesses the requisite FCC construction permit.
3. Applicant currently performs public utility two-way and one-way radiotelephone service from the base station located in Mt. San Miguel to an area in and around San Diego which comprises part of the proposed extended area.
4. Applicant also offers public utility radiotelephone service in the areas of Blythe and El Centro.
5. As of March 31, 1984 applicant had a net worth of approximately \$407,388.86.
6. Installation cost of the proposed system will be approximately \$25,000 to be financed from internally generated funds.
7. Engineering data for the proposed system is set forth in Exhibits A, B, and C to the application.
8. The purpose of the proposed expansion is to strengthen the 35.60 MHz signal in its present service area and to satisfy the need for a wider service area.

9. Applicant conducted a survey which revealed to it that there is a public need for the proposed expanded service.

10. The proposed base station will be located at sites where there are already radio broadcasting facilities.

11. The proposed service is economically feasible.

12. The proposed service is technically feasible.

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

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

15. Applicant should be subject to the user fee as a percentage of gross intrastate revenue under Public Utilities Code §§ 431-435. The fee is currently .1% for the 1984-85 fiscal year.

Conclusions of Law

1. The application should be granted.

2. Rule 18(o)(1) should be waived in respect to this application.

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 Hendrix Radio Communications, Inc. (applicant), a California corporation, for the construction and operation of a public utility one-way radiotelephone system with base station locations and a service area as follows:

Base station locations:

- a. Mt. San Miguel, San Diego.  
Lat. 32° 41' 47" N, Long. 116° 56' 06" W.
- b. Mt. Soledad, San Diego.  
Lat. 32° 50' 17" N, Long. 117° 14' 56" W.
- c. Mt. Woodson, 20 miles NE of San Diego.  
Lat. 33° 0' 34" N, Long. 116° 58' 11" W.

Service area: As set forth on the map in  
Exhibit C to Application (A.)  
84-08-041.

2. Within 30 days after this order is effective, applicant shall file a written acceptance of the certificates 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 now charged by applicant for paging service rendered of frequency 35.60 MHz in the San Diego area. 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.84-08-041.

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

10. 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 ADOPTED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bodovitz, Executive Director

**ORIGINAL**

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