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DEC 5 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of General Telephone
Company of California, for
certificate of public convenience
and necessity under Section 1001 of
the Public Utilities Code of the
State of California for authority to
establish a personal signaling
service in the Sacramento Area.

Application 84-08-004
(Filed August 1, 1984)

Application of General Telephone
Company of California, for
certificate of public convenience
and necessity under Section 1001 of
the Public Utilities Code of the
State of California for authority to
establish a personal signaling
service in the Sacramento Area.

Application 84-08-008
(Filed August 2, 1984)

O P I N I O N

In Application (A.) 84-08-004, (the first application), General Telephone Company of California (General), a California corporation, requests authority to construct and operate facilities for the purpose of rendering public utility one-way radiotelephone services in an area between Sacramento and Auburn. In A.84-08-008, (the second application), General requests authority to construct and operate facilities for the purpose of rendering public utility one-way radiotelephone services in Sacramento and an extended area around that city. The applications show that a copy of each application was served on the counties and major cities involved as well as on competitive radiotelephone utilities.

The applications were noticed in the Commission Daily Calendar of, respectively, August 4 and 5, 1984. No protests to the applications have been received. General has the requisite Federal Communications Commission (FCC) construction permits. Because the proposed service areas of the applications are contiguous and the applications are somewhat similar, the applications are consolidated for decision.

General presently provides telephone and other communication services in portions of twenty (20) counties in the State of California. Among the communication services furnished by General is one-way personal signal service. This service is now offered, among other places, in Lompoc, Oxnard, Santa Barbara, Santa Maria, Santa Paula, Thousand Oaks, Ontario, Pomona, Redlands, San Bernardino, Los Gatos, Novato, Palm Springs, Long Beach, and the Los Angeles area, pursuant to tariffs that have been filed with and approved by this Commission.

For the first five calendar months of 1984 General had a net income in excess of \$90 million and as of May 31, 1984 General had a net worth in excess of \$1½ billion. ✓

The first application seeks authority to establish a base station at Chantry Hill, located 3 miles southwest of Auburn. The area to be served from this base station describes an oval whose long axis generally parallels Interstate Highway 80 between Auburn and Sacramento. The second application seeks authority to establish a base station at General's central office building located in urban/farmland approximately 10 miles from the downtown section of Sacramento. The area to be served from this base station describes a circle approximately 35 miles in circumference whose northernmost

point is approximately at Rio Linda. The transmitters at each base station site will be on or close to towers now occupied by radio broadcasting transmitters. Total cost to install the two systems including the cost of associated equipment, is estimated by General to be \$31,040, to be financed by internally generated funds.

An automatic network service will be provided through a centralized digital computer control terminal located in General's Los Gatos Central Office. This terminal will act as the control point for both base stations as well as any additional base stations that may be required to serve the greater Sacramento Area.

The transmission medium for the network will be a digital signaling format and will provide tone-only and tone-plus-display capabilities. In addition to providing numeric-display signaling, the control terminal is capable of alpha-numeric transmission which will be the dominant future service.

To initiate a network call the customer will dial a local number provided through two foreign exchange services which will be answered by the control terminal, which will automatically process the call and cause it to be transmitted from the base stations.

General anticipates that the revenue requirement needed to make each system profitable will be achieved by the second quarter of the third year in service, when it expects to be serving approximately 1,500 pagers in both services. These figures were arrived at through a study of the demand for the proposed services.

General also requests that the 30-day filing requirement found in Rule 18(o)(1) of the Commission's Rules of Practice and Procedure be waived as to each of the applications. As to the first application, while public notice of the granting of the FCC permit was published July 5, 1984, it was not received by applicant until July 11, 1984. The first application was filed August 1, 1984 which

is within 30 days of July 11, 1984, the date notice was published. Therefore, no waiver would be required for the receipt and processing of the first application. As to the second application, the FCC permit for the construction of the subject base station was issued in October, 1983. General states that the 30-day rule and the OII which established that rule, as well as a communication from someone on the Commission staff, convinced General that the rule applied only to radiotelephone utilities and not to wireline telephone companies. Subsequently, and too late to comply, General was advised that the revised rule also applied to wireline telephone companies. Under the circumstances we will authorize a waiver for the second application.

Findings of Fact

1. In the first application General requests authority to construct and operate facilities for the purpose of rendering a public utility one-way radiotelephone service to an area between Sacramento and Auburn.
2. In the second application General requests a certificate to construct and operate facilities for the purpose of rendering a public utility one-way radiotelephone service to Sacramento and an extended area around that city.
3. General possesses the requisite FCC construction permits.
4. General presently provides telephone and other communication services in portions of 20 counties in the state and offers radiotelephone service to many areas in the state.
5. As of May 31, 1984 General had a net worth of in excess of \$1½ billion.
6. The total cost to install the proposed systems, including the cost of associated equipment, will be approximately \$31,040, to be financed by internally generated funds.

7. The proposed services will be fully automatic and will be interconnected to the public switched telephone network.

8. Tone-only and tone-plus-display service will be offered by both systems.

9. The revenue requirement needed to make each system profitable will be achieved by the second quarter of the third year in service.

10. The proposed systems are economically feasible.

11. The proposed systems are technically feasible.

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

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

14. A public hearing is not necessary.

Conclusions of Law

1. The applications should be granted.

2. A waiver of the 30-day filing requirement in Rule 18(o)(1) should be granted as to both applications.

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 General Telephone Company of California (applicant), a California corporation, for the construction and operation of a public utility one-way radiotelephone system with a base station located at Chantry Hill, 5 miles SW of Auburn at Newcastle (Lat. 38 52 33 N, Long. 121 07 33 W) and with a service area as shown as indicated on the map in Exhibit C to A.84-08-004. ✓

2. A certificate of public convenience and necessity is granted to applicant for the construction and operation of a public utility one-way radiotelephone system with a base station located at 7850 Amherst, Sacramento (Lat. 38 28 28 N, Long. 121 29 39 N) and with a service area, as shown as indicated on the map in Exhibit C to A.84-04-008.

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

4. 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 C to A.84-08-004 and A.84-08-008, respectively. This filing shall comply with General Order 96-A. The tariffs shall become effective on not less than 10 days' notice. ✓

5. 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 FCC Rule 22.504, commonly known as the "Carey Report," consistent with its proposed service area as shown on Exhibit C to A.84-08-004 and A.84-08-008, respectively.

6. Applicant shall notify this Commission, in writing, of the date, each of the services authorized herein is first rendered to public under the rates, rules, and charges authorized within five days after services begin.

7. Any 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.

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

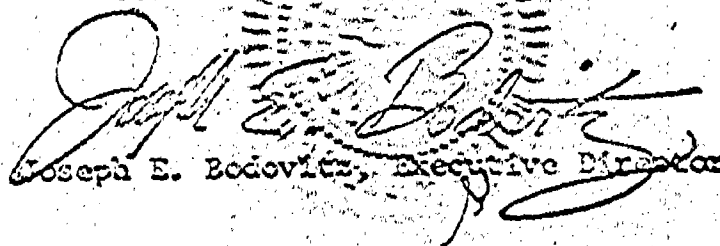
9. The application is granted as set forth above.

This order becomes effective 30 days from today.

Dated December 5, 1984, at San Francisco, California.

DONALD VIAL
President
VICTOR CALVO
PRISCILLA C. GREW
WILLIAM T. BAGLEY
FREDERICK R. DUDA
Commissioners

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


Joseph E. Bodovitz, Executive Director

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10. The proposed systems are economically feasible.

11. The proposed systems are technically feasible.

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

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

14. A public hearing is not necessary.

Conclusions of Law

1. The applications should be granted.

2. A waiver of the 30-day filing requirement in Rule 18(o)(1) should be granted as to both applications.

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6. Applicant shall notify this Commission, in writing, of the date, each of the services authorized herein is first rendered to public under the rates, rules, and charges authorized within five days after services begin.

~~7. Applicant shall keep its books and records in accordance with the Uniform System of Accounts for Radiotelephone Utilities, prescribed by this Commission.~~

8. 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.

7.9. Any 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.

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

9.11. The application is granted as set forth above.

This order becomes effective 30 days from today.

Dated DEC 5 1984, at San Francisco, California.

DONALD VIAL
President
VICTOR CALVO
PRISCILLA C. GREW
WILLIAM T. BAGLEY
FREDERICK R. DUDA
Commissioners