

Decision 84 12 039

DEC 19 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Mobile Radio System of )  
 San Jose, Inc., a California )  
 corporation, for a certificate of )  
 public convenience and necessity to )  
 expand its certificated service )  
 area. )

Application 84-05-063  
 (Filed May 18, 1984)

O P I N I O N

Mobile Radio System of San Jose, Inc. (applicant), a California corporation, requests a certificate of public convenience and necessity to expand its public utility one-way radiotelephone paging service in Santa Clara and adjacent areas. The application shows that copies of the application were served on eight radiotelephone utilities with whom the proposed service may compete and on the counties and principal cities within the proposed extended service area. The application was noticed in the Commission's Daily Calendar of May 23, 1984. No protests or requests for hearing have been received. Applicant possesses the requisite Federal Communications Commission (FCC) construction permit.

Applicant currently provides two-way mobile service, one-way paging radiotelephone service, both tone-only and tone-and-voice, and point-to-point microwave service in its certificated service area, which embraces Santa Clara County and adjacent areas. Applicant also serves portions of the greater San Francisco Bay Area by means of an intercarrier agreement with Paging Network of San Francisco, Inc. (PageNet). Applicant currently serves in excess of 215 mobile units, 4757 tone-only units, 681 tone-and-voice units, and 573 digital display units. It had a gross revenue of \$1,056,698 for the calendar year 1983 and a net worth of \$846,819 at the end of that year.

Applicant's present service area covers a land area generally within a line drawn from Pigeon Point (located on the Pacific Coast southwest of Pescadero) northeast to Fremont, thence southeast to the junction of the county lines of the Counties of Alameda, San Joaquin, Stanislaus, and Santa Clara, thence south to Pacheco Pass, thence southwest to San Juan Bautista, thence west to the Pacific Ocean at Marina.

By this application, applicant intends to construct and operate a paging base station located on Allison Peak, 4.5 miles northeast of Milpitas, in the Diablo Mountain Range. Applicant states that the proposed base station is intended and designed to basically serve as a "fill-in" transmitter to alleviate a shadowing problem in its service area along portions of the Santa Clara Valley adjacent to the Santa Cruz Mountains. The signal contour of the Allison Peak base station will lie mostly within applicant's present service area. However, a small portion of the signal contour will extend outside of applicant's present service area and take in part of the City of Palo Alto, a major community, and overlap a part of the service area of PageNet. The extended area encompasses substantially less than a 10% increase in applicant's present service area.

Facilities comparable to those intended to be placed by applicant are already to be found in the proposed base station site and surrounding areas.

Acquisition and installation of the new base station and allied facilities will cost approximately \$20,180. Applicant has in inventory part of the required transmission facilities and the acquisition of the rest of the facilities will be internally financed out of normal operating funds. ✓

Applicant states that it does not initially propose any change in its rates, charges, or conditions of service in its tariff schedules currently on file with the Commission in respect to the proposed expansion.

Applicant estimates that gross revenues from both existing and potential subscribers who will be served by the new base station will be \$494,000 for the first year and yield \$233,000 in net pre-tax profit and \$1,790,000 for the fifth year and yield a net pre-tax profit of \$1,401,000.

The proposed service will substantially improve applicant's existing paging service in the Santa Clara Valley by materially improving the reliability and quality of such service in existing shadow areas and also will improve the quality of service on the northerly fringes of applicant's current service area.

Findings of Fact

1. Applicant requests a certificate to construct and operate a facility for the purpose of offering a public utility one-way radiotelephone paging service.
2. Applicant has the requisite FCC construction permit.
3. Applicant currently offers certificated two-way and one-way radiotelephone service in most of the area to be served by the proposed base station.
4. Part of the proposed service area extends outside of applicant's present service area.
5. The extended area encompasses a substantially less than a 10% increase in applicant's present service area.
6. The extended area will encompass part of the City of Palo Alto, a major community, and overlap part of the service area of PageNet.
7. The proposed installation will cost approximately \$20,180.
8. As of December 31, 1983 applicant had a net worth of \$846,819.
9. Applicant currently serves approximately 5,438 paging units and has been in operation since prior to 1976.
10. The purpose of the proposed base station is to improve applicant's existing service by improving the reliability and quality of its paging service in existing shadow areas on the west side of the Santa Clara Valley.

11. Use of the proposed base station will also improve the quality of service on the northerly fringes of applicant's current service area.

12. The proposed base station will be located at a site where there are already radio broadcasting facilities.

13. The proposed service is economically feasible.

14. The proposed service is technically feasible.

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

16. 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.

17. No protests have been received and public hearing is not necessary.

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

#### 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.

#### O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Mobile Radio System of San Jose, Inc. (applicant), a California corporation, for the construction and operation of a public utility one-way radiotelephone system with a base station located on Allison Peak, 4.5 miles northeast of Milpitas (Lat. 37° 29' 56" N, Long. 121° 52' 13" W.) with a service area as shown for that site on the map in Exhibit C to Application (A.) 84-05-063.

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. 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 in 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 Exhibit C to A.84-05-063. ✓

5. Applicant shall notify this Commission, in writing, of the date service is first rendered to the 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.

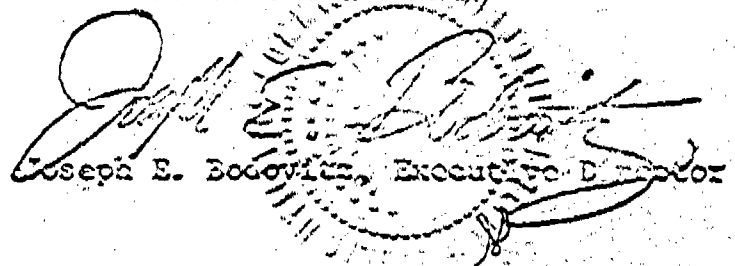
10. The application is granted as set forth above.

This order becomes effective 30 days from today.

Dated DEC 19 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. Bogovick, Executive Director

Applicant's present service area covers a land area generally within a line drawn from Pigeon Point (located on the Pacific Coast southwest of Pescadero) northeast to Fremont, thence southeast to the junction of the county lines of the Counties of Alameda, San Joaquin, Stanislaus, and Santa Clara, thence south to Pacheco Pass, thence southwest to San Juan Bautista, thence west to the Pacific Ocean at Marina.

By this application, applicant intends to construct and operate a paging base station located on Allison Peak, 4.5 miles northeast of Milpitas, in the Diablo Mountain Range. Applicant states that the proposed base station is intended and designed to basically serve as a "fill-in" transmitter to alleviate a shadowing problem in its service area along portions of the Santa Clara Valley adjacent to the Santa Cruz Mountains. The signal contour of the Allison Peak base station will lie mostly within applicant's present service area. However, a small portion of the signal contour will extend outside of applicant's present service area and take in part of the City of Palo Alto, a major community, and overlap a part of the service area of PageNet. The extended area encompasses substantially less than a 10% increase in applicant's present service area.

Facilities comparable to those intended to be placed by applicant are already to be found in the proposed base station site and surrounding areas.

Acquisition and installation of the new base station and allied facilities will cost approximately \$20,180. Applicant has in inventory part of the required transmission facilities and the acquisition of the rest of facilities will be internally financed out of normal operating funds.

Applicant states that it does not initially propose any change in its rates, charges, or conditions of service in its tariff schedules currently on file with the Commission in respect to the proposed expansion.

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. 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 Exhibit C to A.84-05-063.

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.