

OCT 16 1987

ORIGINAL

Decision 87 10 026

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PACIFIC TELEPAGE, INC. (U-2070-C))
for a Certificate of Public)
Convenience and Necessity Pursuant)
to Section 1001 of the Public)
Utilities Code to Extend its)
Radiotelephone Utility System in)
Santa Barbara and San Luis Obispo)
Counties.)

Application 87-07-020
(Filed July 13, 1987)

OPINION

Pacific Telepage, Inc. (applicant), a California corporation, requests a certificate of public convenience and necessity (CPC&N) to construct and operate additional one-way radiotelephone services in and around Santa Barbara and San Luis Obispo Counties over a frequency of 152.84 megahertz (MHz), pursuant to Section 1001 of the Public Utilities Code. Engineering statements and a map of the proposed service area are attached to the application as Exhibit 3 and 4, respectively.

Copies of the application were served on the cities and counties within the proposed service area and on other entities with which applicant's proposed service is likely to compete listed on the certificate of service, Exhibit 7 to the application.

Notice of the application appeared in the Commission's Daily Calendar of July 21, 1987. No protests to the application have been received; therefore, a public hearing is not necessary.

Applicant possesses the requisite Federal Communications Commission (FCC) permit for the additional facility at Purisima Hill, 6 miles north of Lompoc, Exhibit 2 of the application. The underlying engineering data and map of the proposed service area are attached to the application as Exhibits 3 and 4, respectively.

Since the FCC permit was issued on March 5, 1987, more than 30 days from the filing of this application, applicant requests a waiver of Rule 18(o)(1) of the Commission's Rules of Practice and Procedure, which requires an application for a CPC&N to be filed within 30 days after the grant of the relevant FCC construction permit. Applicant represents that it is a small, family-owned business and was not aware of the time requirement until it consulted with an attorney in May of 1987. Informed of the filing requirement, applicant expedited the filing of this application.

Applicant, a certificated radiotelephone utility (RTU), provides one-way radiotelephone services in and around Santa Maria and San Luis Obispo within an area extending from the Pacific Ocean eastward to the Sierra Madre Mountains and from Paso Robles southward along U.S. Highway 101 to Buellton. Its stock is wholly owned by Walter V. Cisco and Ophelia Cisco, who have also been operating the company since its inception in 1985.

The requested facility is to be incorporated into applicant's existing paging system, presently employing two base station transmitters located at Tassajara Peak and Tepusquet Peak. Messages are to be sent throughout the existing and proposed service area by simultaneous activation of all transmitters. Such transmitters are to be keyed through the use of radio control links from the control point in Santa Maria.

Applicant represents that its marketing survey shows that approximately 50 to 80 customers would subscribe to the proposed service extension upon implementation. By the end of the first year of operation applicant expects to incur an operating loss of \$13,462 and by the end of the fifth year an operating profit of approximately \$195,000, before taxes.

According to applicant the proposed extension would improve applicant's paging service by enhancing signal reliability

on the fringes of its present service area, and provide customers an alternative to other mobile communications services.

The total capital requirement to construct the proposed base station and antenna near Lompoc is estimated to be approximately \$14,000. Incremental operating expenses are estimated to be approximately \$2,000 per year.

Applicant's net worth at January 1, 1987 of approximately \$4,000, Exhibit 1 to the application, is insufficient to provide the necessary funds to construct and operate the proposed facility. However, applicant reiterates its shareholders' commitment, Exhibit H of A.85-07-064, to make available such funds as will be reasonably necessary for the construction, improvement, and continued operation of the RTU facility.

The proposed base station antenna and transmitters are to be installed on an existing tower and building. Therefore, it can be seen with certainty that there is not any possibility that the proposed construction may have a significant effect on the environment.

The proposed tariffs for applicant's extended service in Santa Barbara and San Luis Obispo Counties are the same rates and charges for similar services that applicant presently has on file with the Commission.

Findings of Fact

1. Applicant is a California corporation.
2. Applicant requests a CPC&N to construct and operate an additional RTU facility at Purisima Hill, 6 miles north of Lompoc.
3. No protests to the application were received.
4. Applicant possesses the requisite FCC permit, issued on March 5, 1987.
5. Applicant was unaware of Rule 18(o)(1), which requires a CPC&N to be filed within 30 days for the issuance of a FCC construction permit.

6. Applicant is a certificated RTU authorized to operate in and around Santa Maria and San Luis Obispo.
7. The proposed facility is technically feasible.
8. Applicant's shareholders are to make available necessary funds to construct and operate the proposed facility.
9. The proposed facility is economically feasible.
10. It can be with certainty that there is no possibility that the granting of this application may have a significant effect on the environment.
11. Public convenience and necessity require the granting of the application.
12. A public hearing is not necessary.

Conclusion of Law

The application should be granted.

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

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity (CPC&N) is granted to Pacific Telepage, Inc. for the construction and operation of a public utility one-way radiotelephone system with a base station located at Purisima Hill, 6 miles north of Lompoc (Lat. 34° 43' 51" N, Long. 120° 26' 02" W) and with a service area as shown for that site as indicated on the map in Exhibit 4 to Application (A.) 87-07-020.

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 General Order 96-A, tariffs applicable to the service authorized containing rates, charges, and rules applicable to its radiotelephone services. The tariffs shall become effective on not less than 5 days' notice. The rates and charges shall be the same as for similar services that applicant has on file with the Commission.

4. Applicant shall file as part of its individual tariff, after the effective date of this order, and consistent with Ordering Paragraph 3, an engineered service area map drawn in conformity with Federal Communications Commission (FCC) Rule 22.504, commonly known as the "Carey Report," and consistent with Exhibit 4 to A.87-07-020.

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

6. Applicant shall notify the Commission's Evaluation and Compliance Division Director in writing of the date service is first rendered to the public as authorized herein, within 5 days after service begins.

7. The corporate identification number assigned to Pacific Telepage, Inc. is U-2070-C which should be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

8. The certificate granted and the authority to render service under the rates, charges, and rules 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 OCT 16 1987, at San Francisco, California.

STANLEY W. HULETT
President

DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
Commissioners

Commissioner John B. Ohanian, being necessarily absent, did not participate.

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



Victor Weiss, Executive Director

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