

Decision 87 10 030

ORIGINAL

OCT 16 1987

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Crico Telecommunications of San Jose)
(U-2031-C), a California limited)
partnership, for a Certificate of)
Public Convenience and Necessity to)
Expand its Facilities to Provide)
Radiotelephone Services in and around)
the Salinas-Monterey-Seaside area.)

Application 87-08-015
(Filed August 7, 1987)

OPINION

Crico Telecommunications of San Jose (applicant), a California limited partnership, requests a certificate of public convenience and necessity (CPC&N) to construct and operate additional radiotelephone facilities on existing transmitter sites at Fremont Peak, approximately 9 miles northeast of Salinas, and Hidden Hills, approximately 7 miles east of Carmel, and to provide radiotelephone utility (RTU) service in and around the Salinas, Monterey, and Seaside area. A map and engineering statements of the proposed service territory are attached to the application as Exhibits B and C, respectively.

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

Notice of this application appeared on the Commission's Daily Calendar of August 13, 1987. No protests to the application have been received; therefore, a public hearing is not necessary.

Applicant possesses the requisite Federal Communications Commission (FCC) permits for the two proposed base station facilities, Exhibit A to the application. Since the FCC permit for the Fremont Peak transmission facility requires completion of the proposed facility by October 28, 1987 applicant requests Commission authority as soon as reasonably possible.

Applicant is a certificated RTU providing one-way paging and signalling, two-way mobile telephone and point-to-point microwave RTU services within San Francisco, Oakland, San Jose and Santa Cruz areas.

According to applicant the Salinas, Monterey, and Seaside area is a rapidly growing area with an increasing demand for RTU services. It represents that a substantial need exists for conventional mobile telephone services capable of providing access in areas beyond the present cellular service areas delineated by the FCC, and that applicant is ready, willing, and able to satisfy this need by means of its proposed construction.

Presently, applicant serves 15 two-way mobile telephone units and 17,000 paging units. Assuming an orderly expansion of its system in the manner proposed by this application, applicant projects an additional 50 mobile units and 18,500 paging units within five years.

It is projected that approximately \$30,000 in incremental expenses will be required to construct and operate the proposed facilities at Fremont Peak and Hidden Hills, and to install the equipment necessary to link them with applicant's existing terminal at San Jose. Incremental operating expenses are not expected to exceed \$2,000 per year.

Applicant represents that it, or applicant's predecessor in interest, has conducted its business on substantially a debt-free basis for more than twenty-five years. Detailed financial data has been filed with the Commission as part of Application

(A.) 86-06-053 by which applicant obtained authority to issue and sell a long-term subordinate note in the amount of \$1,379,611.69 and to assume obligations and liabilities as a guarantor, Decision (D.) 86-11-008. The financial statement, Exhibit D to the application, shows that applicant's net worth of approximately \$6 million as of March 31, 1987 is more than sufficient to provide all the necessary funds for the proposed construction and operation.

The proposed base station antennae are to be installed on existing structures. No additional access facilities or towers are to be constructed. 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 applicants extended service in and around the Salinas, Monterey, and Seaside area are the same rates and charges for similar services that applicant presently has on file with the Commission.

Findings of Fact

1. Applicant, a California limited partnership, requests a CPC&N to construct and operate additional facilities to provide RTU services in and around the Salinas, Monterey, and Seaside area.
2. Copies of the application were served on cities and counties within which the proposed service area and on other entities with which the proposed service is likely to compete.
3. Notice of the application appeared on the Commission's Daily Calendar of August 13, 1987.
4. No protests to the application have been received.
5. Applicant possesses the requisite FCC permits.
6. The FCC permit for the Fremont Peak transmission facility requires completion of the proposed facility by October 28, 1987.
7. Applicant is a certificated RTU.
8. The proposed operation is technically feasible.
9. Applicant had a net worth of approximately \$6 million as of March 31, 1987.

10. The proposed operation is economically feasible.
11. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
12. The proposed tariffs for applicant's proposed extended service in and around the Salinas, Monterey, and Seaside area contain the same rates and charges presently on file with the Commission.
13. Public convenience and necessity require the granting of the application.

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 is granted to Crico Telecommunications of San Jose for the construction and operation of a public utility one-way and two-way radiotelephone system with base stations and service areas as follows:

Base Station locations:

- a. Fremont Peak, 158.70 MHz, approximately 9 miles northeast of Salinas.
(Lat. 36° 45' 22" N, Long. 121° 30' 05" W)
- b. Hidden Hills Site, 152.09 MHz,
Approximately 7 miles east of Carmel.
(Lat. 36° 33' 12" N, Long. 121° 47' 05" W)

Service area: As shown in Exhibit B to Application (A.) 87-08-015.

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 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 Rule 22.504, commonly known as the "Carey Report," and consistent with Exhibit B to A.87-08-015.

5. 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.

6. The corporate identification number assigned to Crico Telecommunications of San Jose is U-2031-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.

7. 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 is effective today.

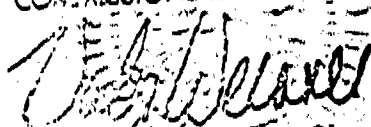
Dated OCT 16 1987, at San Francisco, California.

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