

Decision 87 10 039

OCT 16 1987

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Satellite Paging, Inc., a California)
corporation, for a Certificate to)
Construct Radio-telephone Utility)
Facilities serving areas throughout)
the State of California as may be)
required by Section 1001, et seq. of)
the California Public Utilities Code.)

Application 87-08-027
(Filed August 14, 1987)

OPINION

Satellite Paging, Inc. (applicant), a California corporation, requests a certificate of public convenience and necessity (CPC&N) to construct and operate paging and one-way radiotelephone utility (RTU) facilities over a frequency of 931.8375 megahertz (MHz) in areas throughout California as described in its engineering statements, Exhibit B to the application.

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, as listed in the certificate of service attached to the application.

Notice of this application appeared in the Commission's Daily Calendar of August 18, 1987. No protests to the application were received; therefore, a public hearing is not necessary.

Applicant possesses the requisite Federal Communications Commission (FCC) permits for 14 base station facilities, Exhibit C to the application. Pending before the FCC is an additional permit for base station facilities at Santiago Peak, approximately 12 miles northeast of Laguna Hills.

FCC permits for base station facilities at Mt. Diablo, Danville; 12525 Quicksilver Drive, Rancho Cordova; Mt. Wilson, Pasadena; and Woodson Mountain, Poway are to expire on October 28,

1987. Applicant represents that its present filing for Commission authority is late because applicant only recently received information that its former counsel failed to file this application when the necessary information and permits were presented to him six months ago. Accordingly, applicant requests the Commission to expedite this application so that it may obtain Commission authority on or about October 16, 1987 and thereby construct its facilities prior to the expiration date of its FCC permits.

Applicant is a new corporation. Its principal shareholders are Pandora Potter, President and Secretary; Margaret Comex, Vice President and Treasurer; and Jorge L. and Susana Serron. Applicant represents that its principals also own Ultratelecom, Inc., a certificated cellular reseller in California.

Applicant represents that the FCC, via the grant of numerous 900 MHz applications, has conclusively established that there is a present ever-increasing demand for paging service in California and throughout the United States. Based on this representation, applicant asserts that there is a large market of potential users whose service needs are not being met and can be met by applicant.

Applicant intends to offer state-of-the-art paging services as they are developed at the 900 MHz frequency. The service offerings are to be fully automatic and interconnected. Initially, tone-only, numeric display and tone-and-voice service are to be offered.

The proposed facilities are to be operated under the direct supervision and control of applicant's president and general manager, Pandora Potter. Mr. Eulogio Navarro and Mr. Jorge Gubarra, Director of Engineering and Operations Engineer, respectively, are to be responsible for the construction and implementation of the proposed base station facilities and are to maintain and repair the proposed facilities.

Access to applicant's transmitter and control point will be maintained at all times so routine maintenance and emergency repair services may be performed. The technicians are to be on duty during normal working hours at the control point, and on call at other times. Base stations are to be controlled by two control stations and automatic alarms are to provide immediate notification of certain technical failures. Subscribers are to be provided a telephone number to obtain assistance quickly on a 24-hour basis.

It is anticipated that the first year of operation will result in a net operating loss of \$153,589 and at the end of the fifth year a net operating revenue of \$123,931, after taxes.

Total capital requirement for the proposed facilities, including transmitters, antennas, transmission line, and related equipment is projected to cost approximately \$300,000. Ultratelecom, Inc. has committed to providing the necessary funds for the proposed construction, as evidenced in Exhibit D to the application. Ultratelecom, Inc.'s financial statement as of March 31, 1987 shows that Ultratelecom, Inc's net worth of approximately \$425,000 is sufficient to provide the necessary funds for the construction of the proposed facilities.

The proposed base stations are to be located on existing towers in existing antenna farms. 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.

Applicant's rates to be charged for the proposed service are attached to the application as Exhibit E. Tariffs setting forth the detailed rates, practices and classifications are to be filed with the Commission upon exercise of the CPC&N.

Applicant should be subject to the fee system, as set forth in PU Code Sections 401, et seq, which is used to fund the cost of regulating common carriers and businesses related thereto and public utilities. By Resolution M-4746, we set the fee level for fiscal year 1987-88 for telephone corporations at 0.10 of 1%

(0.0010) of revenue subject to the fee. Appropriate tariff rules should be incorporated in applicant's tariff rules for the imposition of this surcharge.

Findings of Fact

1. Applicant, a California corporation, requests a CPC&N to construct and operate paging and one-way RTU facilities throughout California.

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

3. Notice of this application appeared in the Commission's Daily Calendar of August 18, 1987.

4. No protests to the application were received.

5. Applicant possesses the requisite FCC permits for 14 base station facilities.

6. Pending before the FCC is an additional permit for base station facilities at Santiago Peak.

7. FCC permits for four base station facilities are to expire on October 28, 1987.

8. Applicant's former counsel failed to file this application when the necessary information and permits were presented to him six months ago; the application was ultimately filed on August 14, 1987, two months prior to the expected expiration of the FCC permits.

9. Public convenience and necessity require the granting of this application, with a contemporaneous effective date.

10. The proposed operation is technically feasible.

11. The proposed operation is economically feasible.

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

Conclusions of Law

1. Because of applicant's need to obtain Commission authority and to construct the proposed base station facilities prior to the expiration date of the FCC permits, the order should become effective today.

2. The user fee which applicant is subject to for the 1987-88 fiscal year should be 0.10%. ✓

3. The application should be granted to the extent provided in the following order.

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 Satellite Paging, Inc. (applicant) to construct and operate a public utility one-way radiotelephone system with 15 base stations as identified in Appendix A to this order and service areas as shown in Exhibit B to Application (A.) 87-08-027.

2. The certificate authorized in Ordering Paragraph 1 applicable to base station facilities at Santiago Peak, 12 miles northeast of Laguna Hills, shall be conditioned upon applicant demonstrating to the Commission's Evaluation and Compliance Division Director that it possesses the requisite Federal Communications Commission (FCC) permit for Santiago Peak.

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

4. 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 as proposed for service in Exhibit E to A.87-08-027.

5. Applicant shall file after the effective date of this order and in compliance with Ordering Paragraph 4, as part of its individual tariff, service area maps drawn in conformity with the provisions of the Federal Communications Commission Rule 22.504(b) (2), consistent with its proposed service area as shown on the maps in Exhibit B to A.87-08-027.

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. 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 according to the instructions included in that Form.

9. The corporate identification number assigned Satellite Paging, Inc. is U-2095-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.

10. Applicant is subject to the user fee as a percentage of gross intrastate revenue under PU Code Sections 401, et seq.

11. 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

APPENDIX A
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BASE STATION LOCATIONS

- a. Mt. Diablo, approximately 6 miles northeast of Danville.
(Lat. 37° 52' 54" N, Long. 121° 55' 05" W)
- b. 12525 Quicksilver Drive, Rancho Cordova.
(Lat. 38° 33' 48" N, Long. 121° 12' 12" W)
- c. Mt. Wilson, approximately 8 miles northeast of Pasadena.
(Lat. 34° 13' 34" N, Long. 118° 03' 55" W)
- d. Woodson Mountain, approximately 5 miles northeast of Poway.
(Lat. 33° 00' 34" N, Long. 116° 58' 11" W)
- e. 600 South Commonwealth Avenue, Los Angeles.
(Lat. 34° 03' 37" N, Long. 118° 17' 03" W)
- f. 400 California Street, Bakersfield.
(Lat. 35° 22' 08" N, Long. 119° 00' 14" W)
- g. 2220 Tulare Avenue, Fresno.
(Lat. 36° 44' 10" N, Long. 119° 47' 08" W)
- h. 928 12th Street, Modesto.
(Lat. 37° 38' 31" N, Long. 120° 59' 48" W)
- i. 2555 Briarcrest Road, Los Angeles.
(Lat. 34° 07' 08" N, Long. 118° 23' 30" W)
- j. Oat Mountain, approximately 5 miles south of Newhall.
(Lat. 34° 19' 35" N, Long. 118° 35' 10" W)
- k. Saddle Peak, approximately 3 miles north of Malibu.
(Lat. 34° 04' 35" N, Long. 118° 39' 27" W)
- l. 3960 Crest Road, Rolling Hills.
(Lat. 33° 44' 46" N, Long. 118° 20' 07" W)

APPENDIX A
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- m. Sunset Ridge, approximately 9 miles north-northeast of Pomona.
(Lat. 34° 11' 11" N, Long. 117° 42' 03" W)
- n. Sierra Peak, approximately 5 miles west-southwest of Corona.
(Lat. 33° 51' 00" N, Long. 117° 39' 05" W)
- o. Santiago Peak, approximately 12 miles northeast of Laguna Hills.
(Lat. 33° 42' 38" N, Long. 117° 32' 00" W)

(END OF APPENDIX A)

Conclusions of Law

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