

Decision -- 88 03 070 MAR 23 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Gencom Incorporated )  
(U 2019 C) for a Certificate of Public )  
Convenience and Necessity to )  
construct and operate additional )  
Radio Telephone Utility facilities. )

Application 87-12-035  
(Filed December 16, 1987)

OPINION

Gencom Incorporated (applicant), a California corporation, requests a certificate of public convenience and necessity (CPC&N) to construct and operate additional radiotelephone utility (RTU) facilities to provide one-way RTU services in southern California, pursuant to § 1001 of the Public Utilities Code. Engineering statements and a map of the proposed service area are attached to the application as Exhibit 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 in the certificate of service attached to the application.

Notice of this application appeared on the Commission's Daily Calendar of December 22, 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 22 proposed base stations throughout southern California on a frequency of 931.0625 megahertz (MHz).

On the basis of incorrect assumptions, not identified in the application, applicant completed construction and conducted

preliminary testing at the Mt. Wilson site in Pasadena. However, applicant has now ceased all such activity pending appropriate authority from the Commission.

Applicant is a certificated RTU providing one-way paging and two-way radiotelephone services in parts of San Diego, Fresno, Santa Cruz, Monterey, San Benito, and Santa Clara Counties. It is a wholly owned subsidiary of Gencom Incorporated, an Arizona corporation, which in turn, is a wholly owned subsidiary of PacTel Cellular, Inc. PacTel Cellular, Inc. is a wholly-owned subsidiary of PacTel Personal Communications which, in turn, is a wholly owned subsidiary of Pacific Telesis Group (Telesis).

Telesis is one of the seven regional holding companies formed pursuant to the consent decree which arose out of antitrust litigation brought by the United States Department of Justice. Telesis largest subsidiary is Pacific Bell, a California local exchange company. Other California utility affiliates of applicant are PacTel Cellular, PacTel Mobile Services, Tel-Page, Inc., Intrastate Radio Telephone, Inc. of San Francisco, and Delta Mobile Radio Service Inc.

Applicant's affiliates Intrastate Radio Telephone, Inc., Delta Mobile Radio Services, Inc., and Tel-Page, Inc. have obtained FCC construction permits to offer 900 Band Service in the northern part of California.

Applicant represents that an application has been filed for a waiver of restrictions on providing interexchange telecommunication service imposed upon applicant and its affiliates by virtue of their relationship to Telesis, pursuant to the Modification of Final Judgment.<sup>1</sup> Should such a waiver be

---

<sup>1</sup> United States v. Western Electric Co., Inc. Civ. Action No. 82-0192 (D.D.C. Aug. 24, 1982).

granted, applicant and its affiliates intend to offer paging services that will cross LATA (Local Access and Transport Area) boundaries, or statewide paging services.

Since applicant is not seeking authority to provide interLATA paging services by this application, such services should not be considered at this time. However, should applicant and its affiliates obtain a waiver of the Modification of Final Judgement to offer interLATA paging services they should request and obtain Commission authority prior to the offering of any interLATA, intrastate paging services.

Applicant represents that its proposed service will benefit the public through making available to the public a high quality telecommunications service using the latest available technology at reasonable rates. The proposed services will offer greater convenience to the public and flexibility to choose a type of service tailored to their specific needs. It will provide competition in the paging market and benefit the public at large by contributing to lower rates. Therefore, applicant represents that there is a public need and demand.

The engineering data set forth in Exhibit B demonstrates that the proposed service is technically feasible. The equipment proposed for use is state-of-the-art, and is of standard engineering design and proven technology. The proposed facilities are to be constructed and operated by qualified technical and service personnel.

The proposed facilities will be located at communication sites where there are already in existence radio facilities, including towers, transmitters, antennas, buildings or other structures. Therefore, applicant represents that there is no possibility that the proposed facilities will have a significant adverse impact on the environment.

It is anticipated that the first year of operation will result in a net operating loss of \$1,400,000 and the fifth year of

operation will result in a net operating profit of \$1,600,000, before income taxes.

Total capital requirement for the proposed facilities is projected to cost \$670,000, with funds committed by applicant. As shown in applicant's November 20, 1987 financial statement, applicant's net worth of approximately \$10 million is sufficient to provide the necessary funds for the construction and operation of the proposed facilities.

The rates to be charged for applicant's proposed one-way paging service are attached to the application as Exhibit G. Upon the grant of a CPC&N, applicant will file its proposed rates as additions to its tariffs currently on file with the Commission.

Applicant requests that this application be processed expeditiously because construction of the base station facilities must be completed by May 8, 1988, in compliance with the FCC construction permits. Since there are no protests to the application and the proposed services are in the public interest, this order should be effective on the date signed.

Findings of Fact

1. Applicant requests a CPC&N to construct and operate additional RTU facilities in Southern California.
2. 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.
3. Notice of this application appeared in the Commission's Daily Calendar of December 22, 1987.
4. No protests to the application were received.
5. Applicant possesses the requisite FCC permits.
6. Applicant is a certificated RTU providing one-way paging and two-way radiotelephone services in parts of San Diego, Fresno, Santa Cruz, Monterey, San Benito, and Santa Clara Counties.

7. Applicant's affiliates have obtained FCC construction permits to offer 900 Band Service in the northern part of California.

8. An application has been filed for a waiver of restrictions on providing interexchange telecommunications service imposed upon applicant and its affiliates by virtue of the Modification of Final Judgement.

9. Applicant and its affiliates intend to offer paging services that will cross LATA boundaries.

10. Public convenience and necessity require the granting of this application.

11. The proposed operation is technically 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.

13. The proposed operation is economically feasible.

Conclusions of Law

1. The application should be granted.

2. Notice of this matter did not appear on the Commission's public agenda; however, an emergency exists in that applicant's FCC permits shall expire if applicant does not complete its proposed construction by April 15, 1988 which justifies our action today under Public Utilities Code Section 306(b).

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 Gencom Incorporated for the construction and operation of a public utility one-way radiotelephone system with base stations as identified in Appendix A to this order and a service area as shown in Exhibit C to Application (A.) 87-12-035.

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 as proposed for service in Exhibit G to A.87-12-035.

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(b)(2), consistent with its proposed service area as shown on the maps in Exhibit C to A.87-12-035.

5. Applicant shall notify the Commission Advisory 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 Gencom Incorporated is U-2019-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 MAR 23 1988, at San Francisco, California.

STANLEY W. HULETT  
President

DONALD VIAL  
FREDERICK R. DUDA  
G. MITCHELL WILK  
JOHN B. OHANIAN  
Commissioners

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

  
Victor Weissor, Executive Director

APPENDIX A

Page 1

BASE STATION LOCATIONS

- a. Mt. Wilson, 16.0 miles northeast of Los Angeles.  
(Lat. 34° 13' 36" N, Long. 118° 03' 57" W)
- b. 17701 Carbon Canyon Road, Brea.  
(Lat. 33° 56' 48" N, Long. 117° 49' 18" W)
- c. 2614 Whitter Boulevard, Los Angeles.  
(Lat. 34° 01' 57" N, Long. 118° 12' 42" W)
- d. 8435 Diana Avenue, Riverside.  
(Lat. 33° 55' 41" N, Long. 117° 25' 22" W)
- e. 732 Indigo Court, Pomona.  
(Lat. 34° 05' 34" N, Long. 117° 44' 13" W)
- f. 1354 West 25th Street, San Pedro.  
(Lat. 33° 43' 21" N, Long. 118° 18' 23" W)
- g. 351 Alabama Street, Redlands.  
(Lat. 34° 03' 26" N, Long. 117° 12' 33" W)
- h. 14741 San Fernando, Granada Hills.  
(Lat. 34° 19' 04" N, Long. 118° 30' 30" W)
- i. 20437 Live Oak Canyon Road, Trabuco Canyon.  
(Lat. 33° 39' 56" N, Long. 117° 36' 25" W)
- j. 3325 West Orange Avenue, Anaheim.  
(Lat. 33° 49' 38" N, Long. 118° 00' 13" W)
- k. 9582 Jerrerson Boulevard, Culver City.  
(Lat. 34° 00' 51" N, Long. 118° 22' 43" W)
- l. Palos Verdes, San Pedro.  
(Lat. 33° 44' 46" N, Long. 118° 20' 07" W)



APPENDIX A

Page 2

- m. Edom Hill, Palm Springs.  
(Lat. 33° 51' 57" N, Long. 116° 25' 56" W)
- n. 983 West 18th Street, Costa Mesa.  
(Lat. 33° 38' 22" N, Long. 117° 56' 19" W)
- o. John Stone Peak, San Dimas.  
(Lat. 34° 09' 15" N, Long. 117° 48' 00" W)
- p. Oat Mountain, Chatsworth.  
(Lat. 34° 19' 32" N, Long. 118° 35' 01" W)
- q. Santa Ynez Peak, Santa Ynez.  
(Lat. 34° 31' 36" N, Long. 119° 58' 40" W)
- r. Santiago Peak, Corona.  
(Lat. 33° 42' 40" N, Long. 117° 31' 54" W)
- s. Sierra Peak, Corona.  
(Lat. 33° 51' 00" N, Long. 117° 39' 05" W)
- t. Snow Peak, Rim Forest.  
(Lat. 34° 02' 17" N, Long. 116° 48' 47" W)
- u. South Mountain, Santa Paula.  
(Lat. 34° 20' 00" N, Long. 119° 01' 00" W)
- v. Reche Peak, Riverside.  
(Lat. 33° 59' 52" N, Long. 117° 14' 30" W)

(END OF APPENDIX A)