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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 San Luis Obispo and Santa Barbara Counties.

Application 88-03-019 (Filed March 9, 1988)

<u>OPINION</u>

Pacific Telepage, Inc. (applicant) requests a certificate of public convenience and necessity to construct and operate additional radiotelephone utility (RTU) facilities in San Luis Obispo and Santa Barbara Counties, pursuant to Public Utilities Code Section 1001. Engineering statements and a map identifying applicant's extended service territory are attached to the application as Exhibits 3 and 4, respectively.

Copies of the application have been served on the cities and counties within applicant's proposed service territory 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 the application appeared in the Commission's Daily Calendar of March 15, 1988. 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 two additional paging transmitters located in Arroyo Grande and Glothea on a frequency of 152.8400 megahertz, Exhibit 2 to the application.

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Applicant, wholly owned by Walter V. Cisco and Ophelia Cisco, is a certificated RTU which provides one-way RTU services in and around Santa Maria and San Luis Obispo.

Applicant represents that the requested expansion will benefit its present customers because applicant will be able to link its San Luis Obispo County service territory with its Santa Barbara County service territory and improve signal reliability on the fringes of its present service territory. Applicant's market survey shows that approximately 315 customers will subscribe to the proposed service as soon as it is implemented. Therefore, applicant believes that a public need and demand exists for its proposed service.

Applicant estimates that the total capital requirement for the proposed facilities will be \$30,000 and that the ongoing operating expenses will be approximately \$4,000. The requisite service extension is expected to generate a \$5,900 profit in the first year of operation and a \$176,995 profit in the fifth year of operation, before income taxes.

Applicant's two shareholders are committed to provide the necessary funds to construct and operate the proposed facilities. By clarification letter of May 24, 1988, applicant shows that its shareholders have sufficient funds to construct and operate the proposed facilities with a net worth of approximately \$383,000 as of May 18, 1988.

The proposed facilities will be located on existing towers and buildings. Therefore, it can be seen with certainty that there is not any possibility that the grant of this application may have a significant effect on the environment.

The rates to be charged for applicant's proposed one-way paging services are the same rates and charges for similar services that applicant presently has on file with the Commission.

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<u>**Findings of Fact</u>**</u>

1. Applicant requests a certificate of public convenience and necessity to construct and operate additional RTU facilities.

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

3. Notice of the application appeared in the Commission's Daily Calendar of March 15, 1988.

4. No protests to the application have been received.

5. Applicant possesses the requisite FCC permits.

6. Applicant is a certificated RTU.

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

8. The proposed operation is technically feasible.

9. The proposed operation is economically feasible.

10. It can be seen with certainty that there is no possibility that the grant of this application may have a significant effect on the environment.

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 Pacific Telepage, Inc. (applicant) to construct and operate a public utility one-way radiotelephone system with base stations and a service area as follows:

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Base Station Locations:

- a. 198 Hillcrest Drive, Arroyo Grande. (Lat. 35° 07' 31" N, Long. 120° 35' 29" W)
- b. Refugio Beach State Park, 12.5 miles west of Glothea. (Lat. 34° 28' 08" N, Long. 120° 03' 34" W)

Service area: As shown in Exhibit 3 to Application (A.) 88-03-019.

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 presently 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 the provisions of Federal Communications Commission (FCC) Rule 22.504, commonly known as the "Carey Report", and consistent with Exhibit 3 to A.88-03-019.

5. Applicant shall notify the Commission's 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 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.

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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 <u>JUL 8 1988</u>, at San Francisco, California.

> > STANLEY W. HULETT President DONALD VIAL G. MITCHELL WILK JOHN B. OHANIAN Commissioners

Commissioner Frederick R. Duda being necessarily absent, did not participate.

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

Victor Wuisson, Executivo Director

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Base Station Locations:

- a. 198 Hillcrest Drive, Arroyo Grande. (Lat. 35' 07' 31" N, Long. 120' 35' 29" W)
- b. Refugio Beach State Park, 12.5 miles west of Glothea. (Lat. 34° 28' 08" N, Long. 120° 03' 34"/W)

Service area: As shown in Exhibit 3 to Application (A.) 88-03-016.

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 presently has on file with the Complission.

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 the provisions of Federal Communications Commission (FCC) Rule 22.504, commonly known as the "Carey Report", and consistent with Exhibit 3 to A.88-03-049.

5. Applicant shall/notify the Commission's 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 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.

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