

Decision 89 09 037 SEP 7 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Cellular for Less, for a certificate)
of public convenience and necessity)
to operate as a reseller of cellular)
radio telecommunications services)
within California.)

Application 89-06-042
(Filed June 22, 1989)

OPINION

Cellular for Less (applicant) requests a certificate of public convenience and necessity to operate as a public utility reseller of cellular radio telecommunications service. A reseller does not construct, own, or operate any fixed cellular radio equipment or facilities, but sells to its customers the services provided by wholesale cellular carriers. Its operations will be governed by the general scheme of regulation set forth in Decision (D.) 84-04-014 and D.84-11-029.

Applicant intends to operate initially in the Los Angeles market. However, it is alleged that it eventually plans to operate throughout the state. It appears to seek a statewide certificate.

Notice of the filing appeared in the Commission's Daily Calendar on June 27, 1989. No protests have been received.

Based on the applicant's allegations, the Commission issues the following findings and conclusion.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. The proposed service will result in increased competition in the cellular resale market and may result in lower priced service, increased ability of customers to choose between service providers and a wider variety of service packages, and more efficient utilization of the facilities of underlying carriers.

3. Applicant has the ability, including financial ability, to conduct the proposed operations.

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

5. Public convenience and necessity require that the application be granted for statewide operations.

6. Because of the public interest in effective competition, this order should be effective on the date of issuance.

Conclusions of Law

1. The application should be granted.

2. Applicant is subject to the user fee provided in Public Utilities (PU) Code §§ 431-435. The fee is currently 0.1% of gross intrastate revenue for the 1989-90 fiscal year.

3. Applicant is subject to the surcharge for telecommunications service to the disabled, currently set at 0.3% by Resolution T-1304.

4. Applicant is not subject to the surcharge for universal telephone service.

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

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity to operate as a telephone corporation as defined in PU Code § 234 for the purpose of operating as a reseller of cellular radiotelephone services within California is granted to applicant.

2. Applicant is authorized to file with the Commission after the effective date of this order, on not less than 20 days' notice to the public and Commission, the tariff schedules and rates for the proposed service. Service may not be offered until tariffs are on file. This filing shall comply with General Order (GO) Series 96, except that, applicant is authorized to employ the alternative method of page numbering described in Commission Resolutions U-275 and T-4886, at its election. The tariff shall provide for a user fee surcharge of 0.10%. Failure to file the tariff may result in revocation of the authority granted here.

3. Applicant shall be subject to the provisions of GO 96-A, including Sections IV, V, and VI, as revised in D.88-05-067.

4. The corporate identification number assigned to applicant is U-4079-C which shall be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

5. Within 60 days of the effective date of this order, applicant shall comply with PU Code § 708, Employee Identification Cards, and notify, in writing, the Chief of the Telecommunications Branch of the Commission Advisory and Compliance Division of compliance.

6. The certificate of public convenience and necessity granted by this order shall expire within 12 months after the effective date of this order if applicant has not filed tariffs and commenced operations by that date.

7. Within 20 days after this order is effective, applicant shall file a written acceptance of the certificate granted in this proceeding.

This order is effective today.

Dated SEP 7 1989, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

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

- 4 -

Wesley Franklin
WESLEY FRANKLIN, Acting Executive Director

WB