

Decision 90 10 010 OCT 12 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
PageMart, Inc. for a Certificate of )  
Public Convenience and Necessity to )  
provide radiotelephone utility )  
paging services in Daly City, )  
California. )

Application 90-061042  
(Filed June 18, 1990)

O P I N I O N

Pagemart, Inc. (applicant) requests a certificate of public convenience and necessity (CPC&N) to construct and operate one-way radiotelephone utility (RTU) facilities in the San Francisco metropolitan area, pursuant to Public Utilities (PU) Code § 1001, et seq. A map of the proposed service territory is attached to the application as Exhibit C.

Copies of the application have been served on the counties within applicant's proposed service territory and on other entities with which applicant's service is likely to compete, as listed in Exhibit G attached to the application. Notice of the application appeared in the Commission's Daily Calendar of June 25, 1990. No protests to the application have been received; therefore, a public hearing is not necessary.

The requisite Federal Communications Commission (FCC) permit for a transmitter located in Daly City on a frequency of 931.2375 MHz has been obtained in the name of R.F. Communications Companies, Exhibit B to the application. Applicant's request to have this license assigned is pending at the FCC under FCC File No. 24775-CD-AL-01-90.

Applicant represents that it was formed for the purpose of providing 900 MHz paging service nationwide. The proposed service will be available to California residents as they travel within and around the San Francisco metropolitan area. Applicant

estimates that the number of units in service will increase from 7,128 in the first year of operation to approximately 50,584 at the end of the fifth year. Therefore, applicant believes that a public need and demand exists for the proposed service.

Applicant estimates that the operating expenses will increase from \$6,000 in 1990 to \$5,091,949 in 1995. Revenues are estimated to increase from zero in 1990 to \$7,175,421 in 1995, with the service becoming profitable before the end of the third year. The total net operating loss at the end of the third year is estimated at 1,256,839. Applicant's balance sheet as of December 31, 1989, attached as Exhibit E, indicates a net worth of \$2,293,387, clearly sufficient to support the proposed operations until they become profitable.

The proposed facilities will be located at San Bruno Mountain in Daly City, where existing radio facilities, including transmitter antenna buildings and other structures are presently located. Applicant will follow local procedures and satisfy local requirements to the extent local use permits are required.

We find that the project is categorically exempt from environmental review under the California Environmental Quality Act (CEQA). The project involves only the addition of radiotelephone equipment to existing facilities and therefore lies within the scope of categorical exemption classes 1 and 3 as provided in Sections 15301 and 15303 of the CEQA Guidelines.

The rates to be charged for applicant's services are attached to the application as Exhibit F.

Findings of Fact

1. Applicant requests a CPC&N to construct and operate RTU facilities.
2. Copies of the application were served on the counties within applicant's proposed service territory and on other entities with which the applicant's proposed service is likely to compete.

3. Notice of the application appeared in the Commission's Daily Calendar of June 25, 1990.

4. No protests to the application have been received.

5. The requisite FCC permits have been issued to R.F. Communications Companies. An application to have the license assigned to applicant is pending before the FCC.

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

7. The proposed operation is technically feasible.

8. The proposed operation is economically feasible.

9. The proposed project is categorically exempt from CEQA.

10. Applicant is subject to the fee system, as set forth in PU Code § 401, et seq.

Conclusions of Law

1. The application should be granted as set forth in the following order.

2. The user fee for the 1990-91 fiscal year should be 0.10%.

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.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity (CPC&N) is granted to PageMart, Inc. (applicant) to construct and operate a public utility one-way radiotelephone system with a base station and service area as follows:

Base Station location: San Bruno Mountain,  
Daly City, Ca. (Lat. 37° 41' 21" N, Long. 122°  
26' 08" W)

Service area: As shown in Exhibit C to  
Application 90-06-042.

2. The CPC&N granted in Ordering Paragraph 1 shall be conditioned upon applicant demonstrating to the Commission Advisory and Compliance Division (CACD) Director in writing that applicant possesses the FCC permits.

3. Within 30 days of the effective date of this order, 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 the same as proposed for service in Exhibit F to A.90-06-042.

5. 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 FCC Rule 22.504, commonly known as the "Carey Report," and consistent with Exhibit B to A.89-12-030.

6. Applicant shall notify the CACD 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 to PageMart, Inc. is U-2124-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 § 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.

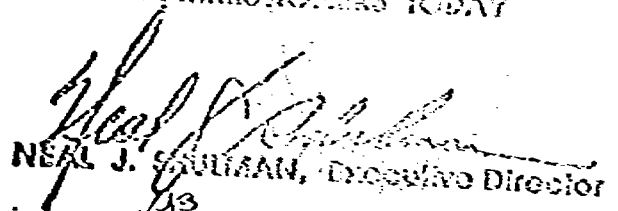
12. Applicant shall send a copy of this decision to concerned local permitting agencies not later than 30 days from today.

This order is effective today.

Dated OCT 12 1990, 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

  
NEAL J. SULLIVAN, Executive Director