ALJ/GEW/gn

Decision 90 11 015 NOV 09 1990

BEFORE THE PUBLIC UTILITIES COMNISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of TELEPAGE COMMUNICATIONS, INC. (U-2092-C), a California corporation, for a certificate of public convenience and necessity to construct an additional radiotelephone utility paging base station at Red Bluff, California.



<u>OPINIÓN</u>

On September 6, 1990, Telepage Communications, Inc., dba Central Valley Telepage (Telepage), filed its application seeking a certificate of public convenience and necessity (CPC&N) to extend its one-way paging service to the area of Red Bluff, California, by constructing an additional facility at Red Bluff. The additional radiotelephone utility facility would provide paging service on 43.34 MHz. This filing is made pursuant to Rule 18(0) of the Commission's Rules of Practice and Procedure (Rule or Rules).

Telepage is a radiotelephone utility (RTU) certificated by the Commission in Decision (D.) 87-06-053 to provide one-way paging service in the San Francisco, Stockton, Modesto, and greater Sacramento areas. Its corporate identification number is U-2092-C.

Télepáge served a copy of its application on competing RTUs within the proposed service área, as well as the Tehama County Planning Department. Notice of the application appeared in the Commission's Daily Calendar. No protests were received.

Telepage proposes to construct and operate an additional base station facility 9.5 miles north of Red Bluff. The proposed facility will be located at a developed telecommunications site with existing radio facilities.

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The Federal Communications Commission (FCC) has authorized Telepage to construct the additional base station at Red Bluff and has issued a construction permit.

The additional base station will permit Telepage to expand its service area and provide subscribers with the ability to be paged when they are in the Red Bluff area. Telepage states that it has received numerous requests from subscribers to provide coverage in the Red Bluff area. The proposed facility will meet this expressed need for service and is likely to enhance competition.

Since the new facility is proposed in response to requests for extended service, Telepage anticipates little effect on its existing customer base as a result of the new facility. Telepage estimates that the increase in number of subscribers will be approximately 20 paging units in the first year and 100 paging units cumulatively by the fifth year.

Telepage states that the proposed facility will have a value of \$22,000 and will be donated by Telepage's principal shareholder, Michael B. Dawson. Once constructed, the facility will increase Telepage's operating costs by about \$200 per month. Telepage's balance sheet and income statement for the year ending 1989 show that the company had revenues of approximately \$745,000 and operating expenses of approximately \$574,000. Costs of the additional base station will not be a significant addition to operating costs.

The proposed facility will be located at a developed telecommunication site with existing radio facilities. The antenna will be side-mounted on an existing tower, and the transmitter will be located in an existing building. For these reasons, Telepage states, the proposed facility will have no adverse impact on the environment.

The environmental staff of the Commission Advisory and Compliance Division (CACD) has reviewed this application. It A.90-09-004 ALJ/GEW/gn

states that an environmental document will not be required in compliance with the California Environmental Quality Act of 1970 (CEQA) because the project is categorically exempt. We adopt CACD's conclusions. As the lead agency for this utility project, we conclude that, since the proposed construction involves minor alteration of existing facilities, the project should receive a categorical (Class 1) exemption from the Environmental Impact Report requirements of CEQA (Rule 17.1(h)(A)(2)). Telepage should comply with local permit requirements, if any.

Telepage should be subject to the fee system set forth in Public Utilities (PU) Code § 401, et seq., that is used to fund the costs of regulating common carriers and businesses related thereto and public utilities. By Resolution N-4754, dated May 4, 1990, the fee level for fiscal year 1990-91 for telephone corporations was set at one-tenth of 1% (0.10%) of intrastate revenues subject to the fee. Appropriate rules should be incorporated in Telepage's tariff for the imposition of this surcharge.

Findings of Fact

1. Telepage is an RTU certificated by the Commission in D.87-06-053 to provide one-way paging service on 43.34 NHz at various locations in San Francisco, Stockton, Modesto, and the greater Sacramento area.

2. Telepage requests a CPC&N to extend subscriber service to the Red Bluff, California, area by constructing an additional radiotelephone facility at an existing telecommunications site at Red Bluff.

3. No protest to the application has been received. \cdot

4. The proposed operation is financially feasible.

5. The FCC has authorized Telepage to construct the additional base station at Red Bluff to enable it to expand its service.

6. The proposed facility will be installed at a developed site with existing radio facilities.

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Conclusions of Law

1. Telepage should be granted a CPC&N to extend its one-way paging service to the area of Red Bluff, California, by constructing an additional radiotelephone facility at Red Bluff.

2. The following order should be effective on the date the order is signed because public convenience and necessity require prompt construction of applicant's extended service at the site identified in the application.

3. Telepage is subject to the user fee system set forth in PU Code § 401 et seq. (specifically §§ 431-435).

4. The Commission is the lead agency in this matter.

5. The proposed construction is categorically exempt from the requirements of California Environmental Quality Act.

6. No Negative Declaration or Environmental Impact Report is required (Rule 17.1(h)(A)(2)).

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 those rights at any time.

<u>ORDBR</u>

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Telepage Communications, Inc. (Telepage) to extend its one-way paging service to the Red Bluff, California, area, and to construct an additional radiotelephone utility facility to provide this extended service on 43.34 MHz at Red Bluff.

2. Within 20 days of the effective date of this order, Telepage shall file a written acceptance of the certificate granted in this proceeding.

3. Telepage shall comply with the user fee requirements of PU Code § 401, et seq., and §§ 431-435. -A.90-09-004 ALJ/GEN/gn

4. Telepage is authorized to file, after the effective date of this order, and in compliance with General Order 96-A, revised tariffs to effect the expansion of its system. The tariffs shall include a preliminary statement revising the sections entitled Territory Served by Utility and Base Station Facilities, to include the additional area to be served and the new base station, and a revised service area map consistent with Exhibit A of A.90-09-004. 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.

5. The certificate granted and the authority to render service under this order will expire if not exercised within 12 months after the effective date of this order.

6. Télépagé shall provide à copy of this décision to all local pérmitting ágencies not latér than 30 days from the date of this order.

7. Telepage shall comply with local permit requirements, if any.

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8. The application is granted as set forth above.
This order is effective today.
Dated NOY 0 9 1990 , at San Francisco, California.

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

Commissioner Stanley W. Hulett, being necessarily absent, did not participate.

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

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