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Decision 91-11-010 November 6, 1991

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
SHASTA CASCADE SERVICES, INC.,)
U-2118-C, a California corporation,)
for a certificate to construct)
Radio-telephone Utilities Facilities)
as may be required by Section 1001,)
et seq. of the California Public)
Utilities Code.)

Application 91-07-031
(Filed July 24, 1991)

O P I N I O N

In this decision we grant a certificate of public convenience and necessity (CPC&N) to Shasta Cascade Services, Inc. (Shasta), authorizing it to construct and operate a radio transmitting station for providing one-way paging service in the Yreka area.

Shasta, a California corporation and a certificated radiotelephone utility, currently offers one-way paging services in and around Mt. Shasta pursuant to a CPC&N granted by Decision (D.) 90-05-007. It also offers two-way radiotelephone service in the same area pursuant to a CPC&N granted by D.90-10-009.

Shasta requests a CPC&N authorizing the construction and operation of radiotelephone utility facilities as described in a detailed engineering statement attached to the application. It proposes to construct an additional base station in order to improve and extend its current one-way paging service in the Yreka area. As relevant to this application, Shasta has received authority from the Federal Communications Commission (FCC) to construct and operate a radio transmitting station at Antelope Mountain near Yreka, California (latitude N 41° 36' 41", longitude W 122° 37' 26"). The station will operate on a base frequency of 158.10 MHZ. A copy of the FCC authorization, dated June 21, 1991, is attached to the application.

Shasta intends to offer a 24-hour full service paging operation, including tone and voice, alpha-numeric with and without vibrator, and tone and visual alert paging service. Shasta anticipates that full service will be provided throughout the area shown on a map attached to the application as Attachment 3. Service will be provided at rates shown in Attachment 4 to the application.

Shasta believes there is a need for the improved and extended service it seeks to offer, as evidenced by letters of support from individuals and businesses in the area. Shasta also notes that the FCC found that the service would satisfy a public need or demand.

Shasta states that the proposed operation is technically and economically feasible. In addition to the one-way paging and two-way radiotelephone service currently authorized, it operates an electronic sales and repair facility and an answering service. It has already purchased the necessary pagers for this service. The estimated cost of the proposed base station facility is \$9,284.65. There will be no significant increase in overhead costs. The estimated first-year revenue for the proposed operation is \$24,900, with monthly revenues increasing to an estimated \$5,175 by the end of the first year.

A current balance sheet as of June 27, 1991 shows that Shasta had assets of \$137,936, liabilities of \$434,034, and a negative net worth of \$296,098. A pro forma balance sheet which gives anticipated effect to the first year of operation shows a negative net worth of \$209,700. Shasta explains that its president and sole shareholder has advanced it \$442,364 to cover the purchase of equipment to operate its answering service as well as its utility services. Shasta represents that notes payable for the advanced amount are due and payable only if Shasta is able to generate significant profits.

Notice of the filing of this application appeared in the Commission's Daily Calendar dated July 26, 1991. Shasta served its application on cities and counties in the service area and on one potential competitor. No protests have been received. A public hearing is not necessary.

The proposed antennas at all locations will be mounted on existing towers or structures. Inasmuch as this proposal involves minor additions to existing telecommunications facilities, our action in this matter is categorically exempt from the reporting requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 and 15303.

Findings of Fact

1. Shasta requests a CPC&N to construct and operate radiotelephone utility facilities for one-way paging service in and around Yreka, California.
2. Shasta currently provides one-way paging service and two-way radiotelephone service in and around Mt. Shasta pursuant to CPC&Ns granted by D.90-05-007 and D.90-10-009.
3. Copies of the application were served on the cities and counties and potential competitors in the area to be served.
4. Notice of this application appeared in the Commission's Daily Calendar dated July 26, 1991.
5. No protests to the application have been filed.
6. Shasta has been granted an FCC permit to construct and operate a station at Antelope Mountain near Yreka, California.
7. Shasta has demonstrated that the proposed service is technically and economically feasible.
8. The proposed transmission facility will be installed on or within existing structures and will not involve new construction or increase the height of existing antenna structures.
9. Shasta is subject to the user fee system as set forth in Public Utilities (PU) Code § 401 et seq.
10. A public hearing is not necessary.

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

Conclusions of Law

1. The application should be granted.
2. Shasta is subject to a user fee of 0.10% for 1991-1992.
3. The proposed service will involve minor additions or extensions to existing telecommunications facilities and is therefore categorically exempt from the reporting requirements of the CEQA.
4. As there is a current need for the proposed service, the order should be made effective on the date signed.

The State may grant any number of operative rights and may cancel or modify the monopoly feature of those rights at any time.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Shasta Cascade Services, Inc. (Shasta) for the construction and operation of a public utility one-way radiotelephone system with a base station and service area as follows:
 - a. Base station location: Antelope Mountain near Yreka, California. N 41° 36' 41", W 122° 37' 26".
 - b. Service area(s): As shown in Attachment 3 to Application (A.) 91-07-031.
2. Within 30 days after this order is effective, Shasta shall file a written acceptance of the certificate granted in this proceeding.

3. Shasta is authorized to file, after the effective date of this order and in compliance with General Order 96-A, revised 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 A.91-07-031.

4. Shasta 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 Rule 22.504, commonly known as the "Carey Report," and consistent with Attachment 3 to A.91-07-031.

5. Shasta shall notify the Commission Advisory and Compliance Division (Telecommunications Branch) in writing of the date service is first rendered to the public as authorized herein, within 5 days after service begins.

6. 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.

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

8. This is a final order and the proceeding is closed.
This order is effective today.
Dated November 6, 1991, at San Francisco, California.

PATRICIA M. ECKERT
President
JOHN B. OHANIAN
DANIEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners

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


NEAL J. SHULMAN, Executive Director