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Decision 92-02-030 February 5, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
Paragon Communications, Inc. for a  
Certificate of Public Convenience  
and Necessity to operate as an  
aggregator of telecommunication  
services within California.

**ORIGINAL**  
Application 91-09-029  
(Filed September 11, 1991)

INTERIM OPINION

Paragon Communications, Inc. (Paragon) has applied for a certificate of public convenience and necessity (CPCN) to operate as an aggregator of intrastate interexchange telecommunication services within California. The application seeks statewide authority.

Paragon intends to provide switched message telecommunications services as a nonfacilities-based aggregator of the interexchange services of American Telephone & Telegraph Company (AT&T) utilizing AT&T's network facilities. Paragon would neither own nor operate any facilities, and granting its application would result in no new construction of telephone plant. Paragon states that in this respect its application has no potential impact upon local land use or planning decisions.

Paragon has requested the Commission to waive notice requirements under Rule 18(b) of the Rules of Practice and Procedure to relieve Paragon of the obligation to serve copies of its application on probable competitors, and on cities and counties within which service will be rendered in the exercise of the requested certificate (effectively, all cities and counties in the state). Paragon states that the length of the application, the number of attachments, and the number of parties which have to be served make compliance with this notice requirement onerous. It states that literal compliance would cost \$4,500 for service alone.

Paragon also objects to any requirement to serve its competitors with financial statements in accordance with the Rule, as Paragon views this as an unfair requirement to disclose proprietary business information.

Paragon has shown cause for a partial waiver of Rule 18(b). No new construction will result from the authorization sought, and granting the application will therefore have no discernible impact upon the cities and counties throughout the state which would be served. Accordingly, notice will be deemed adequate if Paragon mails (or otherwise serves) copies of its application on the other parties specified by the Rule.

As to the remaining requirements of Rule 18, full compliance will be required. All similarly situated applicants are required to file and serve the specified disclosures as part of the application process, and those disclosures are intentionally made a part of the public record by the Commission. There is simply no basis for altering the Rule in the circumstances of this case, for to do so would afford Paragon a special privilege.

Findings of Fact

1. Paragon is applying for a CPCN to operate as an aggregator of intrastate interexchange telecommunication services within California.
2. Paragon would neither own nor operate any switches or other telecommunication facilities in the exercise of its CPCN.
3. Granting Paragon's application would result in no new construction of telephone plant or facilities of any sort.
4. Granting the application would have no discernible impact upon the cities and counties of the state.
5. The Commission has an interest in ascertaining that all utilities, corporations, persons, or other entities, whether publicly or privately operated, with whom Paragon is likely to compete, are notified of Paragon's application before this

Commission by mailing or service of a copy of the entire application upon every such person or entity.

Conclusion of Law

Paragon should be relieved of the notice requirement of Rule 18 of the Rules of Practice and Procedure, insofar as that Rule requires service or mailing of a copy of Paragon's application upon cities or counties within which Paragon's service will be rendered.

INTERIM ORDER

**IT IS ORDERED that:**

1. Paragon Communications, Inc. (Paragon) is relieved of the requirement under Rule 18 of the Rules of Practice and Procedure of serving or mailing a copy of its application upon the cities and counties within which service would be rendered under its authority as an aggregator of intrastate interexchange telecommunication services within California.

2. Paragon must file and serve an amended application, including current financial exhibits and an amended service list, as a condition of availing itself of the relief afforded by this order.

3. This order is effective immediately to prevent further delay of Paragon's application.

This order is effective today.

Dated February 5, 1992, at San Francisco, California.

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

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

  
NEAL J. SHULMAN, Executive Director  
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