

ORIGINAL

Decision No. SS123 NOV 22 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of WILLIAM H. COLCLOUGH, dba  
Sequoia Communications, for a  
certificate of public convenience  
and necessity to construct a new  
radiotelephone utility system.

Application No. 57370  
(Filed June 8, 1977)

O P I N I O N

William H. Colclough (applicant), doing business as Sequoia Communications, seeks a certificate of public convenience and necessity authorizing the construction and operation of a radiotelephone system serving the city of Fort Bragg, the town of Mendocino and the coastal Mendocino area. Exhibits 1 through 12, attached to the application, provide essential engineering and financial data in support of the application. A letter of July 25, 1977, from applicant to Commission setting forth a negative environmental impact statement is hereby received as Exhibit No. 1.

The proposed base station will be located approximately 3 miles northeast of the Fort Bragg main post office. The coordinates for the base station are 39° 28' 03" North Latitude and 123° 45' 34" West Longitude. Effective radiated power of the base station will be 500 watts. The system will be operated on frequencies in the 150 MHz band. Applicant proposes to establish a message center at 533 North Harrison Street, Fort Bragg, from where the Fort Bragg Answering Service will perform the dispatching for the applicant. The system will be controlled by telephone lines from that point. Services will be rendered on a 24-hour-per-day basis.

Applicant will utilize the facilities and service of Redwood Communications, Inc., 235 Thomas Street, Ukiah, for the prompt servicing and maintenance of the equipment. Applicant states that this is an experienced radio and electronic service company employing expert technicians and has established an excellent reputation in the Fort Bragg

area for prompt and efficient work. The estimated cost of constructing and initiating the proposed system is \$15,250. Applicant has the capacity to finance the system and is technically qualified to operate the system.

According to applicant, the need for a Fort Bragg based radiotelephone utility has been established by an intensive and comprehensive survey conducted by him. The purpose of the survey was to determine specifically the extent of service necessary immediately and to develop projections for future growth. The contacts reached more than 30 businesses and individuals. The two-way and one-way services to be provided and charges proposed for each were described in detail. Favorable responses reflecting positive present or near-term interest in applicant's locally based services were obtained from 19 of the contacts. An initial need for 14 paging units and five two-way units were indicated. The need was shown to be from a wide cross-section of businesses and professions. This is expected to grow to 30 two-way and 80 one-way paging units by the fifth year. These growth projections are conservative and are based on a very favorable response received to the survey and the applicant's personal experience in the daily operation and management of a radiotelephone utility, presently serving in Sonoma County.

Applicant states that all equipment will be installed in a small equipment shelter located at the mountaintop site. The site already has other communication installations and power facilities are already available at the site. The site was particularly chosen because existing facilities are ideal for the communication installation the applicant proposes, resulting in no adverse disturbance to the site. In addition, by providing a presently unavailable mode of communication, the service will enhance community values. The application shows, with certainty, that the project involved in this proceeding will not have a significant effect on the environment.

An investigation of this application was made by a Commission staff engineer. The staff's report on this matter is hereby received as Exhibit No. 2. The staff investigation developed an economic profile for the Fort Bragg-Mendocino Coast area. The operating costs and procedures of the proposed utility were also reviewed. The investigation found that there is public necessity and convenience for a radiotelephone utility at Fort Bragg. The proposed utility operations and rates are reasonable, and the applicant is qualified to operate the utility. No protests to this application have been received by the Commission.

The Commission finds that:

1. The public has need for the proposed services which are not presently available or obtainable by the use of other services in Fort Bragg and neighboring territory in Mendocino County.
2. Public convenience and necessity require that applicant construct and operate a radiotelephone and paging service within the 37 and 43 dbu contours shown on the maps included in Exhibits 1 and 2 attached to the application.
3. The rates proposed by applicant are fair and reasonable for the services rendered.
4. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

The certificate herein granted and any to be granted for the exercise of any permit or license shall be subject to the following proviso:

Applicant is placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a

full or partial monopoly of a class of business. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to William H. Colclough, doing business as Sequoia Communications, authorizing him to construct and operate a common carrier mobile radio-telephone and paging system in the city of Fort Bragg and in neighboring territory in Mendocino County within 37 and 43 dbu contours as shown on the map, included in Exhibits 1 and 2 attached to the application.

2. Applicant is authorized to file, after the effective date of this order, the schedule of rates and charges set forth in Exhibit 12 attached to the application, to be effective on or before the date service is first rendered to the public under the authority herein granted, together with rules governing service to subscribers, tariff service area maps, and sample copies of printed forms normally used in connection with subscribers' services, in accordance with the requirements of General Order No. 96-A. Such rates, rules, tariff service area maps, and forms shall become effective on five days' notice to this Commission and to the public.

3. Applicant shall notify this Commission, in writing, of the date service is first rendered to the public under the rates and rules authorized herein, within ten days thereafter.

4. Applicant shall file with this Commission copies of all annual reports made to the Federal Communications Commission.

5. Applicant shall determine accruals for depreciation by dividing the original cost of the depreciable utility plant, less estimated future net salvage and less depreciation reserve, by the estimated remaining life of the depreciable plant. Applicant shall review the accruals as of January 1, following the date service is first furnished to the public under the rates and rules authorized herein and thereafter when major changes in depreciable utility plant composition occur, and at intervals of not more than five years. Results of these views shall be submitted to this Commission.

6. Applicant shall maintain his books of account in accordance with the Uniform System of Accounts for Radiotelephone Companies as prescribed by this Commission.

7. The certificate herein granted and the authority to render service under the rates and rules authorized herein will expire if not exercised within one year after the effective date of this order.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 22nd day  
of NOVEMBER, 1977.

Robert Bakeman  
President  
William J. Jensen  
Vergil L. Sturgeon  
Richard D. Howell  
Paul J. DeWitt  
Commissioners