

ORIGINAL

Decision 93590 October 6, 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of ALVIN J. RICE, dba FEATHER)
COMMUNICATIONS For a Certificate)
of Public Convenience and)
Necessity to Construct a)
Radiotelephone Utility System.)

Application 60740
(Filed July 16, 1981)

O P I N I O N

Applicant Alvin J. Rice, dba Feather Communications, an individual, requests a certificate of public convenience and necessity to construct and operate a radiotelephone utility (RTU) system with a base station to be constructed at a point located on Mt. Hough, six miles northeast of Kiddie and 11 miles north of the Plumas County Courthouse, Quincy. A copy of the application was served on Radio Electronics Products Corporation, Cal-Autofone, Siskiyou Mobilfone, Citizens Utilities Company of California, Mt. Shasta Radiotelephone, Inc., Sierra Communications, Airsignal of California, Board of Supervisors of Plumas County, the Mayor of the City of Portola, and The Pacific Telephone and Telegraph Company. No protests to the application were received.

The application shows that applicant holds a Bachelor of Science degree from California State University, Fresno. He served in the United States Air Force during the period of 1953-1957 and is active in business and civic affairs in Plumas County, California. He personally holds a Federal Communications Commission (FCC) Business Radio License. ✓

Applicant is concurrently requesting the grant of a Construction Permit and License from the FCC for the proposed system. A copy of the Special Use Permit obtained from the United States Forest Service for the proposed base station site is attached to the application. The site has already been developed for electronic use.

The proposed RTU system will provide primary duplex two-way mobile radiotelephone service (mobile service) and one-way tone-only and tone-and-voice paging service. The mobile units will operate on frequency 152.15 megahertz (MHz) designated as Channel 9, and the one-way paging units will operate on frequency 152.24 MHz designated as Channel P-5.

Applicant's message center and control station will be located at his principal place of business as 150 High Street, Quincy. He will maintain a 24-hour a day common carrier dispatching service under his direction and control and will maintain the proposed RTU service on a public utility priority basis during these hours. He will provide facilities and service for prompt servicing and maintenance of equipment which will be available on a regular and emergency basis at any time by experienced personnel. The system will provide service within applicant's proposed 37 dbu contour as depicted in Exhibit 2 of the application. The proposed service area comprises the County of Plumas, including the communities of Quincy, Portola, Greenville, and Chester. Applicant represents that the proposed service area is not presently served with either mobile service or one-way paging service.

Applicant's customers may either purchase their own mobile radiotelephone and/or pager from outside sources or rent it from applicant on a monthly basis. Mobile customers will be charged a

flat \$20 a month for service with a message unit allowance of 60 messages after which they will pay .30¢ for each additional message. The charge for paging service will vary depending on whether the customer uses a pager furnished by applicant or uses a customer-furnished pager, and on the type of paging service subscribed for. For instance, the charge for the tone-and-voice paging service will be \$29 a month where the customer uses a utility-furnished pager and \$15 a month where the customer uses his own pager.

The facilities proposed to be constructed and operated by applicant are represented as not involving or entailing construction of any substantial consequence or magnitude. As stated above, the base station site and antenna have already been developed for electronic use. Applicant estimates that his initial equipment expenses will be \$27,700. His personal financial statement attached to the application shows that as of June 1, 1981, his net worth was \$263,000. He proposes to make a personal investment in the operation of \$30,000. His projected income from the first 12 months of operation is \$38,206 with expenses of \$34,770. For the fifth year of operation, he projects his income to be \$140,440 with expenses of \$113,323.

Applicant contends that the increased population and growing economy of Plumas County have brought a need for communication facilities to the forefront. The personal and business communications requirements of the population of Plumas County are intensified by the large area and varied terrain over which communications must be accomplished. Applicant believes that its RTU facilities can provide the kind of communications required in Plumas County. To determine the needs for its services, applicant conducted a survey that reached 75 businesses and individuals. A copy of the survey forms and results were attached to the application as Exhibit 9. Favorable responses reflecting positive present or near-term interest were

obtained from 27 of the contacts. An initial need for 93 paging units and 40 mobile units was indicated. The need was shown to be from a wide cross-section of business and professions, as well as county government. Applicant conservatively expects this need to grow to 200 paging units and 60 mobile units by the fifth full year of operation of the proposed system.

Applicant contends that he has made a diligent attempt to discover and serve his application on all parties and individuals required to be served under Rule 18(b) of the Commission's Rules of Practice and Procedure. To the extent that other entities or persons have not been discovered or served, applicant requests a waiver of Rule 18(b) to that limited extent under Rule 87.

Findings of Fact

1. Applicant requests a certificate to construct and operate a RTU system with a base station to be constructed on Mt. Hough in Plumas County for the purpose of rendering mobile service and one-way paging service.
2. Applicant has applied to the FCC for a permit and license for the proposed system.
3. Applicant has a Special Use Permit from the United States Forest Service for the base station site.
4. The base station site has been developed for electronic use.
5. The service to be provided will be duplex mobile service and one-way tone-only and tone-and-voice paging.
6. The message center and control station for the system will be located at applicant's principal place of business in Quincy.
7. The service will be in operation 24 hours a day.

8. The system's service area is depicted in Exhibit 2 attached to the application.

9. The proposed service area is not presently served with either mobile service or one-way paging service.

10. Customers may either purchase their own radiotelephones and paging units from outside sources or rent the equipment from applicant.

11. The rates and charges for the proposed services as set out in Exhibit 5 attached to the application are just and reasonable.

12. The facilities proposed to be constructed and operated by applicant do not involve or entail construction of any substantial consequence or magnitude.

13. Applicant is financially able to initiate the proposed construction and operation.

14. Applicant's projected income and expense statements for the first and fifth year of the proposed operation are within reason and show that the operation can become viable.

15. The survey conducted by applicant of businesses, professions, and the county government evidences a need for the proposed services. ✓

16. Applicant is fit, willing, and able to conduct the proposed operations.

17. Applicant has made a diligent attempt to discover and serve his application on all individuals required to be served.

18. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. Application 60740 should be granted.

2. Rule 18(b) should be waived.

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 these rights at any time.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Alvin J. Rice for the construction and operation of a public utility radiotelephone system with a base station on Mt. Hough, located approximately six miles northeast of Kiddie and 11 miles north of the Plumas County Courthouse in Quincy with a service area as set out in Exhibit 2 of the application.
2. Applicant is authorized to file, after the effective date of this order, tariffs applicable to the service authorized containing rates and charges otherwise applicable to his one-way paging and two-way radiotelephone services. Such filings shall comply with General Order 96-A. The tariffs shall become effective on not less than 10 days' notice.
3. Applicant shall file, after the effective date of this order, as part of his individual tariff, an engineered service area map drawn in conformity with the provisions of Federal Communications Commission Rule 22.504, commonly known as the "Carey Report".
4. Applicant shall notify this Commission, in writing, of the date service is first rendered the public under the rates and rules authorized within five days thereafter.
5. Applicant shall keep his books and records in accordance with the Uniform System of Accounts prescribed by the Commission for radiotelephone utilities and shall determine accruals for depreciation by dividing the original cost of depreciable utility

plant, less estimated future net salvage and less depreciation reserve, by the estimated remaining life of the depreciable plant. Further, applicant shall review these accruals as of January 1, following the date service is first rendered and thereafter whenever major changes in plant composition may occur at intervals of not more than five years. Results of these reviews shall be submitted to this Commission.

6. The certificate granted and the authority to render service under the rates and rules authorized will expire if not exercised within 24 months after the effective date of this order.

7. Rule 18(b) of the Commission's Rules of Practice and Procedure is waived insofar as service of the application on parties not represented as being served were not served.

This order becomes effective 30 days from today. ✓

Dated October 6, 1981, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

I certify that this decision was approved by the above Commissioners today.

John E. Bryson
