

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION
Telecommunications BranchRESOLUTION NO. T-13020
September 14, 1988R E S O L U T I O N

RADIO ELECTRONIC PRODUCTS CORPORATION (REPCO). ORDER AUTHORIZING AN INCREASE IN RATES FOR TWO-WAY COMMUNICATIONS SERVICE, AN ORDER AUTHORIZING THE ADDITION OF A SERVICE RESTORATION CHARGE, AND AN ORDER AUTHORIZING THE WITHDRAWAL OF THE PAGER EXCHANGE OFFERING.

SUMMARY

By Advice Letter No. 20, filed March 1, 1988, REPCO wishes to increase its monthly rate for vehicle mounted nobile units from \$25.00 to \$27.50 and \$10.00 to \$12.50, for 50 message units and zero message units, respectively. For rural stationary basic service, REPCO seeks to increase its monthly rate for 50 message units from \$25.00 to \$27.50. In addition, REPCO desires to add a service restoration charge of \$15.00, that will apply, when restoring service which has been discontinued. And lastly, REPCO wishes to withdraw its paging exchange offering for which there are no present customers. All interested parties and customers were notified of these changes and no protests were received.

BACKGROUND

REPCO has customers and provides service in and around Siskiyou, Trinity, Shasta, Tehama, Lassen, Plumas, Butte, and Glenn Counties. Its 1987 income statement reveals \$401,569 in gross operating revenue from utility's mobile and land-based radio telephone and paging service. It is estimated that this Advice Letter No. 20 will generate an additional \$16,710 in annual revenue, representing a 4% increase in present revenue. The additional income to the utility is needed to defray the increased cost related to interconnection facilities, operator wages, maintenance, repair and replacement of fixed station and control equipment and terminals. REPCO has not increased its rates since 1982.

As regards the service restoration charge, a \$15.00 charge will apply in order to restore service which has been discontinued in

accordance with the provisions of utility's Rule No. 11 (Discontinuance and Restoration of Service).

By Advice Letter No. 15, filed February 27, 1984, REPCO introduced a paging exchange service offering. This offering allowed a subscriber to receive temporary paging service in another portion of utility's service area in which the frequencies or tones in subscriber's "home" pager were not compatible with the frequencies or tones in the area of temporary use. At present, there are no customers receiving service under the offering. REPCO therefore request that this service be withdrawn.

DISCUSSION

While REPCO proposes an increase from \$25.00 to \$27.00 per month for vehicle mounted mobile units and rural stationary basic service, we note that North State Communications Inc., REPCO's primary competitor in the Redding area, charges \$20.00 per month for identical service. However, REPCO insists that: its signal strength is stronger; it has more radio frequencies to utilize; its area served is larger; and its overall service is much better than any of its competitors. Therefore, REPCO's proposed two-way mobile telephone service rates, with its claimed higher quality of service, would be consistent with other market driven rates in its territory.

As regards the service restoration charge, the utility should be allowed to apply a charge of \$15.00 when restoring service which has been discontinued in accordance with the provisions of Rule No. 11.

In relation to the withdrawal of the pager exchange service, since there are no customers presently utilizing this particular offering, REPCO seeks relief from the administrative burden of continuing to offer pager exchange service for which there are no customers. To require REPCO to maintain this tariffed radio telephone offering without customers, while the utility is incurring costs for the amount of inactivated numbers not being used, would force the utility to operate at a loss. It is therefore requested that the utility be allowed to withdraw this offering to negate further losses.

FINDINGS

The Commission finds that the rates, charges, and conditions authorized in this resolution are just and reasonable and present rates, charges, and conditions, as they differ from the rates, charges, and conditions authorized in this resolution are for the future, unjust and unreasonable; and good cause appearing

IT IS ORDERED that:

(1) Authority is granted to make the above revisions effective September 14, 1988.

(2) Revised Cal. PUC sheet numbers 169-T, 170-T, 171-T, 172-T, 173-T, and 174-T shall be marked to show that such sheets were authorized by resolution of the Public Utilities Commission of the State of California - Resolution No. T-13020.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 14, 1988. The following Commissioners approved it:

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners



Executive Director

