

FLORIDA PUBLIC SERVICE COMMISSION  
Capital Circle Office Center • 2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

MEMORANDUM

JANUARY 25, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS, KING) *W*  
DIVISION OF AUDITING & FINANCIAL ANALYSIS (LESTER) *PZ*  
DIVISION OF LEGAL SERVICES (BILLMEIER) *WBS FL* *ALM*  
*AA*  
*1992*

RE: DOCKET NO. 941240-TI - GTE TELECOMMUNICATIONS SERVICES  
INCORPORATED - APPLICATION FOR CERTIFICATE TO PROVIDE  
INTEREXCHANGE TELECOMMUNICATIONS SERVICE.

AGENDA: FEBRUARY 6, 1996 - REGULAR AGENDA - PROPOSED AGENCY  
ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\941240TI.BCH

CASE BACKGROUND

Section 364.337(3), Florida Statutes, (effective July 1, 1995) reads as follows:

(3) The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

STAFF DISCUSSION

ISSUE 1: Should the Commission grant GTE TELECOMMUNICATIONS SERVICES INCORPORATED (GTE) a certificate to provide statewide interexchange telecommunications service within the State of Florida as provided by Section 364.337 (3), Florida Statutes?

DOCUMENT NUMBER-DATE

00886 JAN 25 96

FPSC-RECORDS/REPORTING

DOCKET NO. 941240-TI  
DATE: January 25, 1996

**RECOMMENDATION:** Yes.

Florida Public Service Commission Certificate No. 4080

**STAFF ANALYSIS:** GTE originally filed an application with this Commission on November 29, 1994, to offer telecommunications services as a switchless rebiller. However, because of problems with their tariff and the additional information required with the passage of Chapter 364.337 (3), Florida Statutes, (effective July 1, 1995), GTE was not able to file all of the required information with this Commission until December, 1995.

GTE's exhibit of managerial qualifications reflects distinguished records in telecommunications sales, marketing and service. In regard to technical capability, GTE indicates that it will rely on the network ownership, operation and management of its underlying carrier(s)-currently MCI. GTE ensures a high reliability of call completion and prompt response to service problems including a customer troubleshooting service 24 hours a day, seven days a week. A review of GTE's financial capability shows that GTE has met the minimal financial requirements of the statute to provide and maintain the proposed telecommunication service. Further, since GTE is not requiring a deposit or an advance payment, there will be no customer provided funds at risk.

**ISSUE 2:** Should this docket be closed?

**RECOMMENDATION:** Yes, if no person whose substantial interests are affected by the Commission's Proposed Agency Action, files a protest within 21 days of the issuance date of the order.

**STAFF ANALYSIS:** This docket should be closed, if no person whose substantial interests are affected by the Commission's Proposed Agency Action, files a protest within 21 days of the issuance date of the order.

## **ATTACHMENT 1**

### **Managerial Qualifications**

**GTECS has contracted with professionals widely experienced in telecommunications in general and long-distance carrier ownership, operations and management in particular. Earle A. Goode, the Chair of GTECS for example, has over thirty years experience in the telecommunications industry. Also, both George J. Lieb, Vice President of Strategic Planning and Business Development, and H. Gordon Allen, General Manager of GTECS, exhibit distinguished records of managerial and technical experience in telecommunications services. Additionally, Applicant's management team is experienced in telecommunications sales, marketing and service. The biographical material attached hereto details the telecommunications experience of GTECS's principals, and demonstrates that GTECS is therefore an experienced carrier fully able to provide the services proposed herein.**



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

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**DATE:** January 17, 1996  
**TO:** Tom Williams, Division of Communications  
**FROM:** Pete Lester, Division of Auditing and Financial Analysis *PL*  
**RE:** Docket No. 941240-TI, GTE Telecommunication Services, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service

*ALM APC TOS BMS*

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Section 364.337 (3), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

Also Section 364.01 (3) and (4) states that:

- (3) The Legislature finds that the competitive provision of telecommunications service, including local exchange telecommunications service, is in the public interest.
- and
- (4)(d) The Commission shall exercise its exclusive jurisdiction in order to: (d) Promote competition by encouraging new entrants into telecommunications markets
- ...

Regarding the showing of financial capability, the Finance staff has analyzed the unaudited financial statements of GTE Telecommunication Services, Inc. (GTE-TSI). The company requested and was granted confidentiality for its financial statements. An audit could change one's opinion of the company's financial condition. Staff does not consider the financial ratios of GTE-TSI to be an impediment in obtaining a certificate.

GTE-TSI does not plan to offer debit cards. Staff notes the limited nature of the application and that no customer provided funds are at risk. Under the minimal requirements of the statute, the application appears adequate.

cc: Division of Legal Services  
Division of Records and Reporting

1/13/95  
NUM: F23873  
FEIN: 06-1262301

CORPORATE DETAIL RECORD SCREEN  
ST:DE ACTIVE/FOREIGN PROF FLD: 04/11/1997

10:40 AM

NAME : GTE TELECOMMUNICATION SERVICES INCORPORATED  
PRINCIPAL: WEST AIRFIELD DRIVE  
ADDRESS P.O. BOX 619810 ATTN: TAX DEPT.  
DFW AIRPORT, TX 75261-9810

CHANGED: 06/11/91

RA NAME : CT CORPORATION SYSTEM  
RA ADDR : 1200 S. FINE ISLAND ROAD  
PLANTATION, FL 33324

NAME CHG: 06/30/92  
ADDR CHG: 06/10/92

ANN REP : (1992) B 06/30/92 (1993) BY 05/01/93 (1994) BY 05/01/94

1/13/95  
CORP NUMBER: F23873  
TITLE: VP

OFFICER/DIRECTOR DETAIL SCREEN

10:40 AM

CORP NAME: GTE TELECOMMUNICATION SERVICES INCORPORATED

NAME: QUICK, GORDON D  
GTE PL W AIRFIELD DRIVE  
D/FW AIRPORT, TX

TITLE: VP NAME: AARONSON, EDWARD F  
GTE PL W AIRFIELD DRIVE  
D/FW AIRPORT, TX

TITLE: VPS NAME: LIEB, GEORGE  
GTE PL W AIRFIELD DRIVE  
D/FW AIRPORT, TX

TITLE: GCS NAME: MURRAY, JOHN T.  
GTE PL W AIRFIELD DRIVE  
D/FW AIRPORT, TX

TITLE: SAT NAME: BALSLEY, KEVIN D.  
GTE PL W AIRFIELD DRIVE  
D/FW AIRPORT, TX

TITLE: D NAME: LYSAUGHT, THOMAS  
GTE PL W AIRFIELD DRIVE  
D/FW AIRPORT, TX