

WIGGINS & VILLACORTA, P.A.

ATTORNEYS AT LAW

501 EAST TENNESSEE STREET

POST OFFICE DRAWER 1657

TALLAHASSEE, FLORIDA 32302

TELEPHONE (904) 222-1534

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March 25, 1996

Ms. Blanca Bayo
Director of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: T-NETIX, Inc.

Dear Ms. Bayo:

460378-TX

Enclosed for filing are the original and five (5) copies of T-NETIX, Inc.'s (T-NETIX) Application for Authority to Provide Alternative Local Exchange Service Within the State of Florida, along with the \$250 filing fee. T-NETIX will file its price list prior to offering services to the public.

Thank you for your assistance in this matter.

Check received with filing and
forwarded to Fiscal for deposit.
Fiscal to forward a copy of check
to RAR with proof of deposit.

Sincerely,



Marsha E. Rule

Initials of person who forwarded check:

A. Johnson

MER:plk
Enclosures

RECEIVED & FILED

99
EPSC-BUREAU OF RECORDS

DOCUMENT NUMBER DATE

03593 MAR 26 1996

FPSC-RECORDS/REPORTING

**APPLICATION
FOR AUTHORITY TO PROVIDE
ALTERNATIVE LOCAL EXCHANGE SERVICE
WITHIN THE STATE OF FLORIDA**

1. This is an application for (check one):
- (x) Original authority (new company)
 - () Approval of transfer (to another certificated company)
Example: a certificated company purchases an existing company and desires to retain the original certificate of authority.
 - () Approval of assignment of existing certificate (to a non-certificated company)
Example: a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.
 - () Approval for transfer of control (to another certificated company)
Example: a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of applicant:

T-NETIX, Inc.

3. Name under which the applicant will do business:

T-NETIX, Inc.

4. If applicable, please provide proof of fictitious name registration.

Fictitious name registration number: _____.

N/A

5. A. National and Florida mailing addresses including street name, number, post office box, city, state and zip code.

T-NETIX, Inc.
6675 South Kenton Street
Suite 100
Englewood, Colorado 80111
(303) 790-9111

B. Florida physical address including street name, number, post office box, city and zip code.

N/A

DOCUMENT NUMBER-DATE

03593 MAR 26 88

FPSC-RECORDS/REPORTING

6. Structure of organization:

- | | |
|--|---|
| <input type="checkbox"/> Individual | <input checked="" type="checkbox"/> Corporation |
| <input type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Joint Venture | <input type="checkbox"/> Other, explain _____ |

7. If applicant is an individual, partnership or joint venture, please give name, title and address of each legal entity.

N/A

8. State whether any of the officers, directors, or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.

No.

9. If incorporated, please provide proof from the Florida Secretary of State that the applicant has authority to operate in Florida.

Corporate charter number: M73612

10. Please provide the name, title, address, telephone number, internet address and facsimile number for the person serving as ongoing liaison with the Commission, and if different, the liaison responsible for this application.

Ongoing liaison: Shannon Fenimore
T-NETIX, Inc.
6675 South Kenton Street
Suite 100
Englewood, Colorado 80111
(303) 790-9111

Application liaison: Marsha E. Rule
Wiggins & Villacorta, P.A.
501 East Tennessee Street
Suite B
Post Office Drawer 1657
Tallahassee, Florida 32302
(904) 222-1534 Telephone
(904) 222-1689 Fax

11. Please list other states in which the applicant is currently providing or has applied to provide local exchange or alternative local exchange service.

California.

12. Has the applicant been denied certification in any other state? If so, please list the state and reason for denial.

No.

13. Have penalties been imposed against the applicant in any other state? If so, please list the state and reason for penalty.

No.

14. Please indicate how a customer can file a service complaint with your company.

Customers can contact Customer Service by calling a toll-free number: 1-800-531-4245

15. Please complete and file a price list in accordance with Commission Rule 25-24.825.

T-NETIX will file its price list prior to offering services to the public.

16. Please provide all available documentation demonstrating that the applicant has the following capabilities to provide alternative local exchange service in Florida.

A. Financial capability.

Attached as Exhibit 1.

B. Managerial capability.

Attached as Exhibit 2.


C. Technical capability.

(If you will be providing local intra-exchange switched telecommunications service, then state how you will provide access to 911 emergency services. If the nature of the emergency 911 service access and funding mechanism is not equivalent to that provided by the local exchange companies in the areas to be served, describe in detail the differences.)

Attached as Exhibit 3.

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders. Further, I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

Official: 
 Signature

 Date

Title: Allyn A. Schopp
Executive Vice President & CFO
T-NETIX, Inc.

(303) 790-9111
 Telephone Number

EXHIBIT 1

T-NETIX, INC.

BALANCE SHEET - 7/31/95

(Amounts in Thousands)

Assets

Cash and cash equivalents	\$ 872
Trade accounts receivable, net	\$ 9,223
Other receivables	\$ 98
Prepaid expenses	\$ 267
Property and Equipment:	
Telecommunications equipment	\$ 22,916
Construction in progress	\$ 3,845
Office equipment	\$ 2,044
Property and equipment	\$ 28,805
Less accumulated depreciation	\$ (5,061)
Property and equipment, net	\$ 23,744
Other assets, net	\$ 700
Total Assets	<u>\$ 34,904</u>

Liabilities and Shareholders' Equity

Liabilities	
Accounts payable	\$ 6,137
Accrued liabilities	\$ 2,250
Loans from customer	\$ 449
Debt	\$ 4,654
Capital lease obligations	\$ 959
Total liabilities	\$ 14,449
Shareholders' Equity	
Common stock	\$ 76
Additional paid-in capital	\$ 22,736
Accumulated deficit	\$ (2,357)
Total shareholders' equity	\$ 20,455
Total Liabilities and Shareholders' Equity	<u>\$ 34,904</u>

T-NETIX, INC.

INCOME STATEMENT - YEAR ENDING 7/31/95

(Amounts in Thousands)

Revenue:	
Telecommunications services	\$ 24,262
Direct call provisioning	<u>\$ 3,492</u>
Total Revenue	\$ 27,754
Expenses:	
Operating costs and expenses:	
Telecommunications services	\$ 10,658
Direct call provisioning	<u>\$ 3,370</u>
Total Operating Costs and Expenses	\$ 14,028
Selling, general and administrative	\$ 5,413
Research and development	\$ 732
Depreciation and amortization	<u>\$ 3,607</u>
Total Expenses	<u>\$ 23,780</u>
Operating Income (loss)	\$ 3,974
Interest and other expenses:	
Interest expense	\$ (673)
Interest income	\$ 52
Other expenses	<u>\$ (15)</u>
Earnings before income taxes	\$ 3,338
Income taxes	<u>\$ (150)</u>
Net Earnings	<u>\$ 3,188</u>

EXHIBIT 2

T-NETIX, INC.

Thomas J. Huzjak - President and Chief Executive Officer
Formerly Vice President and General Counsel of T-NETIX, Inc. Mr. Huzjak has over 20 years of experience in the telecommunications industry, most of which was with AT&T and the Bell Operating Companies prior to divestiture. During his career with AT&T, Mr. Huzjak held various sales and marketing positions, including those of Division and Branch Manager, AT&T Information Systems in Southern California. With Pacific Telephone and Mountain Bell, he held numerous positions in sales, marketing and product management.

Mr. Huzjak is also a licensed attorney and has been a member of the Colorado Bar since 1978. Before joining T-NETIX, Mr. Huzjak practiced law as a sole practitioner, emphasizing commercial litigation and telecommunications law. He is a member of the Colorado and Arapahoe Bar Associations and a founder and director of the Inmate Calling Providers Task Force, a trade association for private businesses which provide telecommunications services to the corrections industry.

Mr. Huzjak holds a juris doctorate degree from the University of Denver School of Law.

Roger C. DuCharme - Senior Vice President of Marketing and Sales
Mr. DuCharme joined T-NETIX in 1992. From 1989 through 1992, he was the President and co-founder of Communications Business Applications, Inc., a provider of information networking solutions. Prior to his involvement with CBA, Mr. DuCharme held executive positions at AT&T, Illinois Bell, Mountain Bell, GTE, and Micronesian Telecommunications Corporation.

Thomas W. Sweeney - Senior Vice President/Services
Mr. Sweeney joined T-NETIX in 1992. Prior to joining the Company, he spent 21 years with Bell Atlantic, serving as Regional Sales Manager in 1989, as Regional Sales Manager-Inmate from 1990-92, and as Project Manager-Inmate in 1992.

John Giannaula - Vice President/Finance
Mr. Giannaula joined T-NETIX in June, 1994. Prior to joining the Company, he spent 10 years with KPMG Peat Marwick. He is a Certified Public Accountant in the state of Colorado.

Pat Flannery - Vice President/Strategic Services
Mr. Flannery joined T-NETIX in 1993. From 1991 through 1992, he was the General Sales Manager for McCaw Cellular One in the state of Colorado. From 1987 to 1991 he was Director of Sales and Marketing with MCI-Western U.S.

Dwight W. Kitchin - Vice President/Engineering
Mr. Kitchin has over 22 years of engineering, design and management experience in telecommunications, biomedical, computer, mechanical and control systems and holds a variety of U.S. patents. Mr.

Kitchin contributed to the Star Tracking Stabilization System for the Space Shuttle and the Hubble Space Telescope while employed by Bell Aerospace Corporation. Prior experience includes development of numerous surgical instruments for Aspen Laboratories, a subsidiary of Bristol-Myers Corporation, and Production Manager for Unitec, Inc.

Mr. Kitchin joined T-NETIX in 1986 and is responsible for all hardware and software engineering and design.

Alvyn A. Schopp - Executive Vice President and Chief Financial Officer. Mr. Schopp joined T-NETIX in March 1993, after 13 years with KPMG Peat Marwick, a large accounting, tax, and consulting firm. KPMG Peat Marwick is the world's largest accounting, tax and consulting firm. Mr. Schopp has extensive experience in SEC and private financial reporting for international and domestic companies. He was responsible for the coordination of the foreign and domestic tax issues for a dozen international companies. Additionally, Mr. Schopp served as Senior Computer Specialist for the Western region of the United States conducting systems and internal control reviews for complex data processing systems.

Mr. Schopp served a one year term in the Firm's Executive offices in New York where he managed technical and technology issues for the Firm on a national and international basis. Additionally, Mr. Schopp served two years in the Melbourne, Australia where he was engagement manager for several large Melbourne international clients and was responsible for audit automation technologies on a national basis.

Mr. Schopp was a national instructor for KPMG accounting and computer courses and frequent speaker at international and national conferences on those issues. Mr. Schopp graduated with honors from Drake University with a major in Accounting and a minor in Finance.

EXHIBIT 3

T-NETIX, Inc.

Technical Capability

As shown in Exhibit 2, T-NETIX's staff members have many years of business and technical experience in the telecommunications industry. T-NETIX is certificated as a pay telephone or interexchange telecommunications provider in 30 states and provides service to over 500 inmate facilities.

T-NETIX initially intends to offer intraLATA and interLATA automated collect-only telecommunications service to inmates at confinement facilities between points within Florida and will enter into contractual and/or tariff relationships with one or more local exchange companies in its service areas. With the exception of collect-only service at inmate facilities, T-NETIX will provide access to 911 emergency service over LEC or ALEC facilities. The nature of the emergency 911 service access and funding mechanism will therefore be equivalent to that provided by the local exchange companies in the areas to be served.

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March 25, 1996

DEFINITION REFERENCE DATE
D274 MAR 26 '96

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Marsha E. Rule

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TALLAHASSEE, FL 32302
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EXPLANATION	AMOUNT

63-08631
2271
CHECK AMOUNT
\$ 250.00

PAY TO THE ORDER OF: EPSC

AMOUNT: Two Hundred Fifty 3/100 DOLLARS

CHECK NUMBER	REFERENCE	DESCRIPTION
2271	T-NETIX	FILING FEE - ALEC

Capital City Bank TALLAHASSEE, FLORIDA