

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

M E M O R A N D U M

JUNE 13, 1996

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

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS, WIGGINS) *vmw*
DIVISION OF AUDITING & FINANCIAL ANALYSIS (LESTER) *led*
DIVISION OF LEGAL SERVICES (BILLMEIER) *LMB RB [signature]*

RE: DOCKET NO. 960475-TI - APPLICATION FOR CERTIFICATE TO
PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY TLX
COMMUNICATIONS, INC.

AGENDA: 06/25/96 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\960475TI.RCM

CASE BACKGROUND

Section 364.337(3), Florida Statutes, 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 TLX COMMUNICATIONS, INC. (TLX) 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

06398 JUN 13 96

FPSC-RECORDS/REPORTING

DOCKET NO. 960475-TI
DATE: June 13, 1996

RECOMMENDATION: Yes, TLX should be granted:

Florida Public Service Commission Certificate No. 4489

STAFF ANALYSIS: TLX filed an application with this Commission on April 12, 1996, to offer telecommunications service as a switchless rebiller in Florida.

TLX's exhibit of managerial qualifications (page 3-6) reflects a satisfactory record in telecommunications sales, marketing and service. In regard to technical capability, TLX indicated in their application that the company will be operating as a switchless rebiller and will rely on the network ownership, operation and management of its underlying carrier(s).

The Division of Auditing and Financial Analysis reviewed TLX's financial statement to determine the company's financial viability (pages 7-8). Based on the information provided by TLX, the financial capability of the company appears adequate.

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.

Resume

John H. Brydels, Jr.

Personal Data

Address: 10716 Misty Vale Avenue, Baton Rouge, Louisiana 70810.
Home Phone: (504) 766-1495.
Date and Place of Birth: July 24, 1959, Baton Rouge, Louisiana.
Marital Status: Single.

Work Experience

Date: June 1984 - Present
Company: TelAmerica Long Distance, Baton Rouge, Louisiana.
Position: President, 1/3 Owner.
Description of work:
Responsible for strategic planning, forecasting and budgeting. Responsible for delegation of all office administration, sales and marketing tasks, and accounting and financial administration. Plans and coordinates territorial expansion, tariff filings and other legal and administrative tasks.

Date: June 1982 - June 1984
Company: Louisiana State University Accounting Department.
Description of work:
Graduate assistant for Louisiana State University Accounting Department. Assisted professors; taught Freshman accounting class.

Education

1982 - 1984 Louisiana State University, Baton Rouge, Louisiana.
Degree: Master of Science in Accounting.

1977 - 1982 Louisiana State University, Baton Rouge, Louisiana.
Degree: Bachelor of Science in Finance.
Graduated Summa Cum Laude. Graduated 1st out of 109 in Department of Finance.

1973 - 1977 Robert E. Lee High School, Baton Rouge, Louisiana.
Graduated Summa Cum Laude.

Professional Designations and Memberships

Certified Public Accountant.

Member, American Institute of CPA's.

Member, Louisiana State Society of CPA's.

Member, Forum 35.

Publicity Chairman - Cystic Fibrosis Foundation Annual Stairclimb.

College Honors and Activities

President, Outstanding Active, Delta Sigma Pi Business Fraternity.

Outstanding Graduating Senior in the College of Business.

Who's Who Among Students in American Colleges and Universities

References

Available on request.

Resume Jon Seger

Personal Data

Address: 2930 Calanne Ave., Baton Rouge, Louisiana 70820.
Home Phone: (504) 769-3950.
Date and Place of Birth: June 3, 1957, Ft. Collins, Colorado.
Marital Status: Married, four children.

Work Experience

Date: June 1984 - Present

Company: TelAmerica Long Distance, Baton Rouge, Louisiana.

Position: Vice President, Secretary-Treasurer, 1/3 Owner.

Description of work:

Chief Engineer responsible for all technical aspects of the company, including installation and maintenance of long distance network, Harris 20/20 switch and related equipment, digital and analog trunks, central office repeaters, Novell LAN, customer database and billing system, UPS power system. Oversee installation and maintenance of customer premise Channel Banks and 1+ Automatic Dialers.

Date: June 1981 - June 1982

Company: Catalytic, Inc., Baton Rouge, Louisiana.

Description of work:

Field Planning Engineer on Crude Air Preheater project for Marathon Oil Company, Garyville, Louisiana.

Home Office Planning Engineer assigned to the following projects:

Substrate Alumina expansion for Kaiser Aluminum and Chemical Corp., Baton Rouge, Louisiana; Blending and Packaging facility for Penzoil Products Company, Shreveport, Louisiana; and Crude Air Preheater for Marathon Oil Company, Garyville, Louisiana.

Project Administrator for Substrate Alumina project for Kaiser Aluminum and Chemical Corp., Baton Rouge, Louisiana.

Date: June 1973 - March 1981
Employer: Self-Employed Painting Contractor.
Description of work:

Estimating, Contract Administration, Accounting, Purchasing, Job Superintendent, Painter.

Education

1982 - 1984 Louisiana State University, Baton Rouge, Louisiana.
Degree: Master of Business Administration.

1975 - 1981 Louisiana State University, Baton Rouge, Louisiana.
Degree: Bachelor of Science in Construction.

1971 - 1975 Robert E. Lee High School, Baton Rouge, Louisiana.
Graduated with High School Diploma.

College Honors and Activities

SGA University College President; Dean's List; Student Chapter Associated General Contractors; Phi Gamma Delta - IFC Representative. Scholastic Achievement Award, Award and Honors Committee.

References

Available on request.



Public Service Commission

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

DATE: June 11, 1996
TO: Tom Williams, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis *ALM*
RE: Docket No. 960475-TI, TLX Communications, Inc., Financial Analysis for *APC* Certificate Application for Intrastate Interexchange Telecommunications Service *1996*

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 TLX Communications, Inc. An audit could change one's opinion of the company's financial condition. The company has adequate liquidity, ownership equity, and profitability.

For certification purposes, the application appears adequate.

cc: Division of Legal Services
Division of Records and Reporting

DOCKET NO. 960475-TI
TLX COMMUNICATIONS, INC.
INTEREXCHANGE CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	NINE MONTHS ENDING 8/31/95
CURRENT ASSETS	707,254
CURRENT LIABILITIES	267,425
CURRENT RATIO	2.64
CASH	209,474
COMMON EQUITY	596,503
TOTAL DEBT	36,364
TOTAL INVESTOR CAPITAL	632,867
COMMON EQUITY RATIO	94%
NET INCOME	173,375 *
RETURN ON EQUITY	29%

* EXCLUDING INCOME TAXES AND DEFRECIATION