

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

APRIL 18, 1996

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

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS, WIGGINS) *W*
DIVISION OF AUDITING & FINANCIAL ANALYSIS (JONES) *SCJ*
DIVISION OF LEGAL SERVICES (BILLMEIER) *LMB* *ALM*

RE: DOCKET NO. 960196-TX; APPLICATION FOR CERTIFICATE TO
PROVIDE ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS
SERVICE BY INTETECH, L.C.

AGENDA: 04/30/96 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\960196TX.RCM

CASE BACKGROUND

Section 364.337(1), Florida Statutes, reads as follows:

(1) Upon this act becoming a law, a party may file an application for a certificate as an alternative local exchange telecommunications company before January 1, 1996, and the commission shall conduct its review of the application and take all actions necessary to process the application. However, an application shall become effective no sooner than January 1, 1996. The commission shall grant a certificate of authority to provide alternative local exchange 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. In no event may an alternative local exchange telecommunications company offer basic local telecommunications services within the territory served by a company subject to Chapter 364.052,

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Florida Statutes, prior to January 1, 2001, unless the small local exchange telecommunications company elects to be regulated under Chapter 364.051, Florida Statutes, or provides cable television programming services directly or as video dialtone applications authorized under 47 U.S.C., Chapter 214, except as provided for in compliance with part II of this chapter. It is the intent of the Legislature that the commission act expeditiously to grant certificates of authority under this section and that the grant of certificates not be affected by the application of any criteria other than that specifically enumerated in this subsection.

STAFF DISCUSSION

ISSUE 1: Should the Commission grant INTETECH, L.C. (INTETECH) a certificate to provide statewide alternative local exchange telecommunications service within the State of Florida as provided by Section 364.337(1), Florida Statutes?

RECOMMENDATION : Yes, INTETECH should be granted:

Florida Public Service Commission Certificate No. 4446

STAFF ANALYSIS: Pursuant to Section 364.337 (1), Florida Statutes (effective July 1, 1995), INTETECH filed an appropriate application with this Commission on February 19, 1996.

INTETECH's exhibit of managerial qualifications reflects qualified employees in telecommunications management, marketing and service (pages 5-6). In regard to technical capability, INTETECH's exhibit indicates that INTETECH will rely on its own expertise (pages 7-9). Also, INTETECH will rely on the network operation and management of its underlying carrier(s).

The Division of Auditing and Financial Analysis reviewed INTETECH's financial statement to determine the company's financial viability (pages 10-11). Based on the information provided by INTETECH, the financial capability of the company appears adequate.

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ISSUE 2: Should the Commission require INTETECH, L.C. (INTETECH) to provide access to 911 service effective on the date the company begins to provide basic local telecommunications service at a level equivalent to the 911 access services of the LEC serving in the same area?

RECOMMENDATION: Yes.

STAFF ANALYSIS: To ensure that Florida end users are allowed high quality access to emergency services, Section 364.337(2) provides that each alternative local exchange telecommunications company that provides basic local telecommunications service must provide access to 911 services.

The Commission has no specific rules on what a LEC or an ALEC must provide in terms of 911 service access. Section 364.337(2), F.S., requires that an ALEC must include access to 911 in its basic service but does not define what type of 911 services must be provided. This could result in an ALEC offering access to 911 service which is inferior in some way to the 911 service access provided by the LEC in that same area. For example, a LEC might provide both automatic number identification (telephone number) and automatic location (address) information to the public safety answering point while the ALEC might only provide the telephone number of the calling party.

Inferior 911 access could result in loss of life which is not something that can be corrected at a later date. The issue of 911 access was to some extent addressed in the number portability docket and the individual local interconnection agreements. If that issue is ultimately resolved, we may be able to remove this provision, but for now, it should be a specific requirement of the order that the ALEC's 911 service be at a level equivalent to that provided by the LEC serving that same area.

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ISSUE 3: 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: Accordingly, 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.

DOMENIC P. ALTOMARE

INTEGROUP INC. EXECUTIVE VICE PRESIDENT 4/95-PRESENT

- * Develop and implement baseline business posture for Intetech L.C.

ALTOMARE & PEARCE MANAGEMENT SERVICES 5/93-3/95

- * Management services for health care and legal professionals.
- * Strategic, marketing and operational planning.
- * Cash Flow and Practice management analysis.

ANCHOR COUPLING COMPANY, INC. PRESIDENT AND C.E.O. 6/90-4/93

- * P&L for hydraulic assembly manufacturer.
- * After turnaround, company was sold to Caterpillar Inc.

KESM INC. CLIMATROL C.E.O. AND GROUP PRESIDENT 1/85-5/90

- * P&L for two companies with (8) branches throughout Florida.
- * After turnaround, companies were sold to Leperque Investments.

BENDIX CORP.

VICE-PRESIDENT/GEN. MGR. 10/80-12/84 ENGINE PRODUCTS DIV.

- * Group Mgr. for Sidney, N.Y. Franklin, In. Columbia, SC. Plants.
- * Responsible for world-wide after-market distribution.
- * Generated Marketing, Business and Strategic Plans.
- * Relocated Division from Sidney, N.Y. to Jacksonville, Fl.

ASSISTANT GEN. MANAGER 4/78-9/80 ELECTRICAL COMPONENTS DIV.

- * P&L responsibility for Engine Products Group.
- * Increased Sales by 30% and doubled R.O.I.
- * Restructured international licensees and airport repair facilities.

DIRECTOR OF ENGINEERING 8/77-3/78 ELECTRICAL COMPONENTS DIV.

- * Developed ignition systems for military & commercial a/c engines.
- * Instituted QPL, reduced air-worthiness directives.

PLANT MANAGER 2/74-7/77 FLIGHT SYSTEMS DIV. MONTROSE PA. PLANT

- * P&L responsibility for Flight and Engine Instruments.
- * Multi-plant operations (Aerotech de Matamoros, Mexico).
- * Doubled sales, reduced inventory 22% and improved profits by 33%.
- * Instituted computerized M.R.P. inventory system.
- * Personally handled Sikorsky and Bell Helicopter sales accounts.

DIRECTOR OF OPERATIONS 4/70-1/74 ENVIRONMENTAL SCIENCE DIV.

- * Responsible for all plant operations.
- * Instituted Mil. Std. 9858A Quality Control Program.
- * Program Manager for Anti-Submarine-Warfare system.

DIRECTOR OF MATERIALS 4/69-3/70 ENVIRONMENTAL SCIENCE DIV.

- * Made acquisition and developed offshore suppliers.

INDUSTRIAL ENGR. MGR. 10/66-3/69 ENVIRONMENTAL SCIENCE DIV.

- * Implemented methods, time studies, and machine loading.
- * Generated cost estimates; instituted cost controls.
- * Contracts Administrator and negotiator.

MANUFACTURING ENGR. 5/59-9/66 NAVIGATION & CONTROL DIV.

- * Developed Pricing, Cost and Value Engineering programs.
- * Manufacturing Engineer for aircraft, missile and space components.

EDUCATION:

JURIS DOCTORATE (1973)
Master of Business Adm. (1966)
Bachelor of Science EE (1961)
MANAGEMENT PROGRAM (1970)

UNIVERSITY OF BALTIMORE.
FAIRLEIGH DICKINSON UNIVERSITY.
FAIRLEIGH DICKINSON UNIVERSITY.
NORTHWESTERN UNIVERSITY.

MEMBERSHIPS: FLORIDA BAR; JACKSONVILLE and AMERICAN BAR ASSOCIATION.

Dakota P. Neufville

172 Prindle Drive East, Jacksonville, Florida 32225 (904) 221-3132

QUALIFICATIONS

Barnett Bank, Inc., Jacksonville, Florida

1990-1994

Prepaid/Reserve Specialist

- Prepared current year's expense accruals and year end closings on Tax accounts.
- Provided Management with analysis of Prepaid and Reserve accounts .

Accounting Clerk

- Reviewed accounting documentation for two banking affiliates, ensured correct allocation expense.
- Monitored activity in charitable contributions, software and property tax on real estate-owned accounts.

United States Navy, Naval Base, Cuba; Naval Subbase, Connecticut

1986-1988

Accounting Technician

- Maintained Officer's Club Accounts Receivable and Accounts Receivable records and prepared depreciation schedules.
- Reviewed financial statements with management and assisted with training of new employees.

Harry Rosen, Inc., Toronto, Ontario, Canada

1981-1986

Reconciliation/Budget Associate

- Conducted workshops to train new Store Managers and Regional Managers on store administration procedures.
- Made recommendations to improve date-to-sale deposit ratio.
- Prepared profit and loss statements and expense budgets for 25 retail stores,submitted budgets for General Manager's review.

In-Transit Associate

- Installed and provided training at store level for a new inventory system .
- Supervised several stores' physical inventories and audits.

Sales Balancing Associate

- Analyzed daily sales audit reports,verified all transactions were recorded.
- Handled customer service calls and collections on credit card charge backs.

RELATED SKILLS

PC (WordPerfect, Lotus 1-2-3, MS Excel); CRT: System 36.Training and Communication classes, Effective Business Writing workshops.

EDUCATION

Ryerson University: Toronto, Ontario, Canada ,Accounting/Financial Studies (CGA Program),1984-1986.

Centennial College: Toronto, Ontario, Canada ,Undergraduate studies in Accounting,1982-1983.

York University: Toronto, Ontario, Canada, undergraduate studies in Mathematics and the Sciences,1978-1980.

Aaron Buhr

10100 Baymeadows Rd, Apt. 1231
Jacksonville, FL 32256
(904) 642-5110

Education Bachelors of Science degree in Electrical Engineering.
May 1993.
Rice University, Houston, Texas.

Relevant Experience Designed phone wiring schemes from local phone service
provider point-of-presence to phone jack in wall.
Designed trenching and sleeving plans to route phone wire to
buildings on site plan.
Designed phone block plans to meet ease of installation and
maintenance requirements.
Developed custom wiring plans to distribute phone service as
needed within buildings to meet client specifications.

Supervised and assisted in trenching and installation of ground
phone wiring from easement to resident buildings.
Supervised installation of phone wiring within buildings.
Supervised and participated in wire splicing and connections
within wiring closets in buildings, according to self-designed
specifications and plans.
Supervised and participated in installation of phone equipment,
including lightning protection, punch-down blocks, cross-
connections, jacks, and others.

Supervised and assisted in diagnosis and repair of phone
problems, ranging from problems at the local phone service
provider, problems with wiring and splicing, problems with
phone jacks and phone sets, and others.

David H. Reed
7720 Southside Blvd.
Jacksonville, FL 32257
(904) 641-4402

RELATED AREAS OF EXPERIENCE

- Oversaw the complete design of a 54 acre multi-family apartment complex, including:
 - Inside wiring of all the buildings
 - Outside physical plant wiring and splicing
 - Headend room design and layout.
 - Creation of a complete bill of material and specs.
- Currently overseeing the design of 3 different multi-family apartment complexes.
- Personally responsible for the authorization of all material and substitute material used during the installation
- Experienced in the management of sub-contractors during both the design and installation phase.
- Coordinated with the local phone company to connect and turn on service from the easement to the communications headend.
- Responsible for evaluation all bids and bills of materials which were submitted by prospective sub-contractors.
- Extensive previous experience in manufacturing facilities engineering.

EDUCATION

- | | |
|--|-----------|
| University of Florida
Bachelors of Science degree in Accounting | 1993-1995 |
| University of Florida
Major: Industrial Engineering | 1991-1993 |
| Skagit Valley College
AA degree in Pre-Engineering | 1988-1990 |

RELATED WORK EXPERIENCE

- | | |
|---|-----------|
| College of Engineering - University of Florida
<u>Systems Analyst Consultant</u> | 1993-1995 |
| Xomed Treace - A Bristol Myers Company
<u>Manufacturing Engineer</u> | 1992-1993 |
| Harlequin Nature Graphics
<u>Systems Analyst Consultant</u> | 1991-1992 |

Carol A. Schuele
3000 San Jose Blvd. #2
Jacksonville, Fla. 32207
E: (904) 448-0799 W: (904) 296-2970

EXPERIENCE:

Oct. 1993 Senior Programmer/Analyst, The Hamilton Collection
to 4810 Executive Park Court, Jacksonville, FL 32216
June 1995

Senior programmer for Sybase analysis/development team of major direct marketing company. Responsible for developing and maintaining 5 modules of company's Continuity Database Program. Production database environment exceeded 1 Gigabyte of data. Programmed user interfaces using Windows SDK and C. Wrote stored procedures and Sybase functions. Responsible for technical design of enhancements to all systems, including database design and architecture.

Oct. 1991 Systems Analyst/Programmer, Computer Systems Technology
to P.O. Box 160, St. Marys, GA 31558
Oct. 1993

Lead programmer for ORACLE development team. Analyzed user requirements and current systems, designed databases, programmed user-interfaces, performed database administration functions for 6 distributed databases running on SCO Unix, Novell, and MS-DOS operating systems.

Feb. 1990 Systems Analyst/Programmer, MANDEX, Inc.
to P.O. Box 220, St. Marys, CA 31558
Sept. 1991

ORACLE programmer/systems analyst. Designed and developed the following systems: Property Inventory System, Barcode Inventory System, Telephone List Management, Information Systems Support Desk, in ORACLE versions 5 and 6 using ORACLE Tools version 5.1C.

Sept. 1988 Junior Analyst, Sonalysts, Inc.
to Waterford, Ct.
Oct. 1989

Member of development team involved in mathematical modeling of underwater acoustic propagation in support of the Naval Acoustic Performance Prediction Program. Developed software for modeling sonar performance and underwater acoustic propagation.

Feb. 1984 Database Technician, Exploration, ODECO Oil and Gas Co.
to 1608 Canal St., New Orleans, LA 70160
Dec. 1987

Monitored and controlled computer systems to process geologic and geophysical data necessary in oil and gas exploration.

EDUCATION:

B.S. Oceanographic Technology - Florida Institute of Technology, 1982
C Programming - Thames Valley State Technical College, 1989
Ada Programming - University of New Haven, 1989
ORACLE Version 6 Database Administration/Architecture, 1990
Member ORACLE's Developers Alliance - 1992, 1993



Public Service Commission

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

DATE: March 14, 1996
TO: Tom Williams, Division of Communications
FROM: Sonja Jones, Division of Auditing and Financial Analysis *WS*
RE: Docket No. 960196-TX, Intetech, L.C., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service *ALM APC*

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange 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 Intetech, L.C. (INTE) for the six-month period ending June 30, 1995. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, INTE has adequate liquidity and ownership equity but minimal profitability.

In this matter, INTE is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application and that no customer provided funds appear to be at risk. For purposes of granting a certificate based on the financial information provided, the financial capability of the company appears adequate.

cc: Division of Legal Services
Division of Records and Reporting

DOCKET NO. 960196-TX
INTETECH, L.C.
LEC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

FOR THE
6 MONTHS ENDING
06/30/95

CURRENT ASSETS	\$2,627,057
CURRENT LIABILITIES	2,143,317
CURRENT RATIO	1.23
CASH	413,771
COMMON EQUITY	1,977,023
TOTAL DEBT	554,719
NET INVESTOR CAPITAL	2,531,742
COMMON EQUITY RATIO	78%
NET INCOME	129,000
RETURN ON EQUITY	7%

Financial Statements provided are for Integroup, Inc. (parent company)