

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

MAY 30, 1996

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

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS, AUDU) *AW*
DIVISION OF AUDITING & FINANCIAL ANALYSIS (JONES) *AW*
DIVISION OF LEGAL SERVICES (EDMONDS) *LR* *ALM*

RE: DOCKET NO. 960246-TI - APPLICATION FOR CERTIFICATE TO
PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE WITH
ALTERNATIVE OPERATOR SERVICE BY GLOBALONE, INC.

AGENDA: 06/11/96 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\960246TI.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 GLOBALONE, INC. (GLOBALONE) 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

05957 MAY 30 96

FPSC-RECORDS/REPORTING

DOCKET NO. 960246-TI
DATE: May 30, 1996

RECOMMENDATION: Yes, GLOBALONE should be granted:

Florida Public Service Commission Certificate No. 4452

STAFF ANALYSIS: GLOBALONE filed an application with this Commission on February 27, 1996, to offer telecommunications service as a reseller with alternative operator services in Florida.

GLOBALONE's exhibit of managerial qualifications (page 3) reflects a satisfactory record in telecommunications sales, marketing and service. In regard to technical capability, GLOBALONE indicates in its application that it will be a reseller and will have the technical knowledge to deal with any switching relay; further the company will rely on the network ownership, operation and management of its underlying carrier(s) such as MCI, AT&T, etc. The Division of Auditing and Financial Analysis reviewed GLOBALONE's financial statement to determine the company's financial viability (pages 4-5). Based on the information provided by GLOBALONE, 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.

KEY MANAGEMENT PERSONNEL

JOHN PAULSEN, CEO/President and Director is the founder of GlobalOne. He is responsible for GlobalOne's strategic direction and development of the operations of the company. Mr. Paulsen's twelve years of telecommunications experience has been in developing opportunities in emerging segments of the telecommunications business. He was involved in the development of local and long distance networks, cordless technologies, and public communications systems. Mr. Paulsen was also an authorized distributor of AT&T and Northwestern Bell Communications products.

ROBERT BEVILACQUA, Vice President - Carrier Services and Director is responsible for the management and implementation of GlobalOne's network, its development, installation and carrier support. Mr. Bevilacqua has more than eleven years experience in the communications industry stemming from this seven years with Sprint and ITT/Western Union, where he was responsible for the Sales and Marketing of communications products, and the design, installation and maintenance of networks for Fortune 500 companies. Since Sprint, Mr. Bevilacqua has spent the last four years building and implementing communications networks for the industry's fastest growing companies.

JEFF MINUSHKIN, Vice President, Chief Operating Officer and Director, has operations, marketing, and MIS experience with major long distance rebillers. After he designed provisioning, customer service and management systems for various companies, Mr. Minushkin went on to start and develop Strategic Communications Corp., an AT&T and WilTel biller. Mr. Minushkin is personally responsible for signing major affinity contracts totaling over \$35 million in annual sales.



Public Service Commission

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

DATE: March 29, 1996
TO: Tom Williams, Division of Communications
FROM: Sonja Jones, Division of Auditing and Financial Analysis *SLJ* *ALM*
RE: Docket No. 960246-TI, GlobalOne, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *WMS* *JPS*

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 GlobalOne, Inc. (GLBL) for the period ending December 31, 1995. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, GLBL has adequate liquidity and ownership equity but reports negative net income.

In this matter, GLBL is asking for a certificate to provide IXC 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. 960246-TI
GLOBALONE, INC.
IXC CERTIFICATE
FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

	AS OF 12/31/95
CURRENT ASSETS	\$1,615,566
CURRENT LIABILITIES	621,066
CURRENT RATIO	2.60
CASH	218,953
COMMON EQUITY	1,250,825
TOTAL DEBT	0
NET INVESTOR CAPITAL	1,250,825
COMMON EQUITY RATIO	100%
NET INCOME	(601,975)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure