

Coffield Ungaretti & Harris
Attorneys at Law

ORIGINAL
FILE COPY

CHICAGO OFFICE
3500 Three First National Plaza, Chicago, Illinois 60602-4283
Telephone 312/977-4400 Fax 312/977-4405

WASHINGTON OFFICE
1747 Pennsylvania Avenue, N.W., Suite 900, Washington, D.C. 20006-4604
Telephone 202/872-4310 Fax 202/833-1274

DENNIS J. GALLITANO
Direct Dial No. 312.977.4444

July 29, 1996

Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0866

960869-TX

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEL _____
- WAS _____
- OTH _____

**Re: Tallahassee Memorial Telephone Company's
Application for Authority to Provide Alternative
Local Exchange Service Within the State of Florida**

Dear Ms. Bayo:

Enclosed is an original and six (6) copies of Tallahassee Memorial Telephone Company's ("TMTC's") Application for Authority to Provide Alternative Local Exchange Service Within the State of Florida, along with a check in the amount of \$250.00 payable to the Florida Public Service Commission, as required pursuant to Chapter 364.337, Florida Statutes.

Very truly yours,

Dennis Gallitano

Dennis J. Gallitano

RECEIVED & FILED
FPSC-BUREAU OF RECORDS

DJG:als
Enclosures

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.
Initials of person who forwarded check:
AJ

cc: Mr. Jerry Davis
Peter M. Dunbar, Esq.

DOCUMENT NUMBER-DATE
07906 JUL 29 1996
FPSC-RECORDS/REPORTING

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

for

TALLAHASSEE MEMORIAL TELEPHONE COMPANY

1. This is an application for (check one):
- Original authority** (new company)
 - Approval of transfer** (to another certificated company)
 - Approval of assignment of existing certificate** (to a noncertificated company)
 - Approval for transfer of control** (to another certificated company)

2. Name of applicant:

Tallahassee Memorial Telephone Company

3. A. National mailing address including street name, number, post office box, city, state, zip code, and phone number.

1401 Centerville Road
Box 210
Tallahassee, Florida 32308
Phone: (904) 681-5238

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

1401 Centerville Road
Box 210
Tallahassee, Florida 32308
Phone: (904) 681-5238

C. Physical address of alternative local exchange service in Florida including street name, number, post office box, city, zip code and phone number.

1300 Miccosukee Road
Tallahassee, Florida 32308
Phone: (904) 681-5238

4. 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, Please explain _____ |

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

Corporate charter number: P96000062056

6. Name under which the applicant will do business (d/b/a):

Tallahassee Memorial Telephone Company

7. If applicable, please provide proof of fictitious name (d/b/a) registration.

Fictitious name registration number: N/A

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

N/A

9. 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

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.

Application Liaison: Dennis J. Gallitano, Esq.
Coffield Ungaretti & Harris
3500 Three First National Plaza
Chicago, Illinois 60602
Phone: (312) 977-4444
Fax: (312) 977-4405
Internet Address: djgallitano@cuh.com

Ongoing Liaison: Mr. William Giudice
Tallahassee Memorial Telephone Company
1401 Centerville Road
Box 210
Tallahassee, Florida 32308
Phone: (904) 681-5238
Fax: (904) 841-6498

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

None

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 call customer service at (904) 681-5662

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

- A. Financial Capability -

See Attachment A

- B. Managerial Capability -

See Attachment B

- C. Technical Capability -

See Attachment C

ATTACHMENT A

Financial Capability

Tallahassee Memorial Telephone Company ("TMTC") has adequate capital to maintain local exchange service as a reseller. TMTC is a newly organized corporation. TMTC will be capitalized by its parent corporation, Tallahassee Memorial Health Ventures, Inc. ("TMHV") on an as required and needed basis to maintain all operations. TMHV's consolidated balance sheet and consolidated income statement for the quarter ended June 30, 1996 are provided in the attached Schedule 1. All equipment and space necessary for TMTC's operations are owned by its parent company, Tallahassee Memorial Regional Medical Center ("TMRMC"). This equipment and space will be made available to TMTC either through an inter-company transfer or a usage agreement. In any event, TMTC will not be subject to any financial obligations relating to the equipment.

SCHEDULE 1

TALLAHASSEE MEMORIAL HEALTH VENTURES, INC.
CONSOLIDATED BALANCE SHEET
JUNE 30, 1996

ASSETS

Current Assets	
Cash	1,378,852
Accounts Receivable (net)	374,783
Inventories	33,345
Prepaid Expenses & Other	<u>63,909</u>
Total Current Assets	<u>1,850,889</u>
Property & Equipment	
Property & Equipment	2,348,752
Accum. Depreciation	<u>(519,601)</u>
Net Property & Equipment	<u>1,829,151</u>
Other Assets	
Investment in Subsidiaries	279,900
Intercompany Receivables	398,133
Other Non-Current Assets	<u>4,405</u>
Total Other Assets	<u>682,438</u>
TOTAL ASSETS	<u>\$4,362,478</u>

LIABILITIES AND RETAINED EARNINGS

Current Liabilities	
Accounts Payable	23,353
Accrued Expenses	329,706
Other Current Liabilities	<u>37,281</u>
Total Current Liabilities	<u>390,340</u>
Non-Current Liabilities	
Notes Payable	27,443
Intercompany Payables	<u>686,474</u>
Total Non-Current Liabilities	<u>713,917</u>
Equity	
Common Stock	100
APIC	561,356
Retained Earnings	<u>2,696,765</u>
Total Equity	<u>3,258,221</u>
TOTAL LIAB & RETAINED EARNINGS	<u>\$4,362,478</u>

SCHEDULE 1 (cont'd)

**TALLAHASSEE MEMORIAL HEALTH VENTURES, INC.
CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER ENDED JUNE 30, 1996**

OPERATING INCOME

Patient Service Revenue	593,106
Dues	151,096
Commissions	136,147
Other Income	<u>138,123</u>
Total Revenue	1,018,472

Deductions from Revenue	
Contractual Adjustments	18,800
Bad Debt Expense	19,847
Charity	<u>9,505</u>
Total Deductions	48,152

TOTAL OPERATING REVENUE **\$ 970,320**

OPERATING EXPENSES

Salaries	418,071
Benefits	60,645
Consulting & Legal	5,852
Depreciation and Amortization	40,007
Dues, Cont. Educ. & Travel	16,648
Insurance	15,360
Interest	2,378
Maintenance & Utilities	18,799
Rent	39,346
Supplies	7,755
Other Operating Expenses	<u>144,712</u>

TOTAL OPERATING EXPENSES **\$ 769,573**

NON-OPERATING REVENUE (EXPENSE)

Interest Income	25,909
Other Non-Operating Revenue	675
Other Non-Operating Expense	(336)
Gain on Sale of Property & Equipment	<u>1,806</u>

**TOTAL NON-OPERATING
REVENUE (EXPENSE)** **\$ 28,054**

NET INCOME BEFORE TAX PROVISION **228,802**

Estimated Income Tax 91,065

NET INCOME **\$ 137,737**

ATTACHMENT B

Managerial Capability

1. Duncan Moore, President

Mr. Moore currently serves as President and Chief Executive Officer of TMRMC and TMHV, a health care delivery system serving the greater Tallahassee community. Mr. Moore has over 31 years of experience in management.

2. William Giudice, Senior Vice President, Secretary and Treasurer

Mr. Giudice currently serves as Senior Vice President and Chief Financial Officer of TMRMC and TMHV. Mr. Giudice has over 15 years of experience in management.

3. Brad Brown, Vice-President, Telecommunications

Mr. Brown serves as Vice President, Management Information Systems of TMRMC. Mr. Brown has over 22 years of experience in management.

All members of TMTC's support staff report to the Vice President, Telecommunications who has the responsibility for maintaining the technical operability of TMTC. TMTC's staff of full-time technicians have many years of experience and have been certified by Northern Telecom for installation, service and maintenance.

ATTACHMENT C

Technical Capability

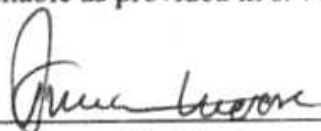
TMTC initially intends to resell local telephone service utilizing its existing telephone switching equipment and installed cabling plant. The Northern Telecom telephone switch has a capacity for 10,000 lines, redundant processors, and is backed up by an emergency power generator. The switch is connected to United/Centel's network over high speed ISDN, as well as analog trunking facilities. The switch is administered with state-of-the-art software applications for service provisioning, alarm monitoring, systems administration, traffic management, and call accounting. The existing cabling plant adheres to BICSI and EIA/TIA standards. Horizontal cabling consists of Category 3 for voice, and Category 5 for data. Both fiber and copper cable are used for aerial and riser cables.

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 Chapter 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, punishable as provided in s. 775.082 and s. 775.083."

Official:



Signature

7/29/96

Date

Title: Duncan Moore,
President

Address: 1300 Miccosukee Road
Tallahassee, Florida 32308