



210 N. Park Ave.
Winter Park, FL
32789

P.O. Drawer 200
Winter Park, FL
32790-0200

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc.com

August 23, 1999

Overnight

Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0870

991219-TX

RE: Initial Application and Tariff for Authority to Provide Alternative Local Exchange Telecommunications Services within the State of Florida.
Xtel, Inc., d/b/a ACG

Dear Ms. Bayo:

Enclosed for filing are the original and six (6) copies of the above-referenced application of Xtel, Inc., d/b/a ACG. Also enclosed is a \$250 check to cover the filing fee.

Please acknowledge receipt of this filing by returning, filed stamped, the extra copy of this letter in the self-addressed stamped envelope.

I may be reached at (407) 740-8575 with any questions, comments or correspondence regarding this application. Thank you for your assistance.

Sincerely,

Monique Byrnes
Consultant to
Xtel, Inc., d/b/a ACG

cc: R. Buffa, Xtel
file: Xtel - FL
tms: fl19900

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION
99 AUG 25 PM 1:41
MAIL ROOM

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

Initials of person who forwarded check:

DOCUMENT NUMBER-DATE
10164 AUG 25 99
FPSC-RECORDS/REPORTING



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D191 **AUG 25 1999**

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FPSC-RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION
DIVISION OF TELECOMMUNICATIONS
BUREAU OF CERTIFICATION AND SERVICE EVALUATION

APPLICATION FORM

for

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

Instructions

- This form is used for an original application for a certificate and for approval of the assignment or transfer of an existing certificate. In case of an assignment or transfer, the information provided shall be for the purchaser, assignee or transferee. (See appendix A.)
- Print or type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.
- Use a separate sheet for each answer which will not fit the allotted space.
- Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of **\$250.00** to:

**Florida Public Service Commission
Division of Records and Reporting
2450 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6770**

- If you have any questions about completing the form, contact:

**Florida Public Service Commission
Division of Telecommunications
Bureau of Certification and Service Evaluation
2450 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6600**

APPLICATION

1. This is an application for (check one):

Original certificate (new company)

Approval of transfer of existing certificate: Example, a non-certificated company purchases an existing company and desires to retain the original certificate authority.

Approval of transfer of control: Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of company:

Xtel, Inc.

3. Name under which the applicant will do business (fictitious name, etc.):

ACG

4. Official mailing address (including street name & number, post office box, city, state, zip code):

Name: Xtel, Inc., d/b/a ACG
Street: 2514 Hollywood Boulevard, Suite 402-408
P.O. Box:
City: Hollywood
State: Florida
Zip Code: 33020

5. Florida address (including street name & number, post office box, city, state, zip code):

Name: Xtel, Inc., d/b/a ACG
Street: 2514 Hollywood Boulevard, Suite 402-408
P.O. Box:
City: Hollywood
State: Florida
Zip Code: 33020

12. **If a partnership**, provide name, title and address of all partners and a copy of the partnership agreement.

Name:

Title:

Address:

City, State, Zip:

Telephone No.:

Fax No.:

Internet E-Mail Address:

Internet Website Address:

13. **If a foreign limited partnership**, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.

(A) The Florida registration number:

14. Provide **F.E.I. Number** (if applicable):

15. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(A) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. Provide explanation.

No officer, director or any of the ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime.

(B) an officer, director, partner or stockholder in any other Florida certificated telephone company, If yes, give name of company and relationship. If no longer associated with company, give reason why not.

Peter Buffa, President and CEO of Xtel, Inc. d/b/a ACG was President of Total Telecommunications, Inc., a Florida certificated telephone company which was sold to TresCom International. Mr. Buffa was also President of PayCom, Inc., a Florida registered pay telephone company which was also sold.

16. Who will serve as liaison to the Commission with regard to the following?

(A) The application:

Name: Monique Byrnes
Name: Technologies Management, Inc.
Address: 210 N. Park Avenue
City, State, Zip: Winter Park, FL 32789
Telephone No.: (407) 740-8575 **Fax No.:** (407) 740-0613
Internet E-Mail Address: mbyrnes@tminc.com
Internet Website Address: www.tminc.com

(B) Official point of contact for the ongoing operations of the company:

Name: Robert Buffa
Title: Vice President
Address: 2514 Hollywood Boulevard, Suite 402-408
City, State, Zip: Hollywood, FL 33020
Telephone No.: (954)923-2410 **Fax No.:** (954) 923-2411
Internet E-Mail Address:
Internet Website Address:

(C) Complaints/Inquiries from customers:

Name: Robert Buffa
Title: Vice President
Address: 2514 Hollywood Boulevard, Suite 402-408
City, State, Zip: Hollywood, FL 33020
Telephone No.: (954)923-2410 **Fax No.:** (954) 923-2411
Internet E-Mail Address:
Internet Website Address:

17. List the states in which the applicant:

(A) has operated as an alternative local exchange company

None

(B) has applications pending to be certificated as an alternative local exchange company.

None

(C) is certificated to operate as an alternative local exchange company.

None

(D) has been denied authority to operate as an alternative local exchange company and the circumstances involved.

None

(E) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

None

(F) has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

None

18. Submit the following:

(A) Financial capability.

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:

1. The balance sheet:
2. Income statement: and
3. Statement of retained earnings.

NOTE: This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

Further, the following (which includes supporting documentation) should be provided:

1. **Written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. **Written explanation** that the applicant has sufficient financial capability to maintain the requested service.
3. **Written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.

B. Managerial capability.

Give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

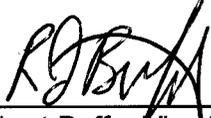
C. Technical capability.

Give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

****APPLICANT ACKNOWLEDGMENT STATEMENT****

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with this application.

UTILITY OFFICIAL:



Robert Buffa, Vice President

8-9-99

Date

954-923-4110

Telephone Number

954-923-4111

Fax Number

Address:

2514 Hollywood Boulevard
Suite 402-408
Hollywood, FL 33020

ATTACHMENTS:

- A- CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT
- B- INTRASTATE NETWORK
- C- AFFIDAVIT
GLOSSARY

INTRASTATE NETWORK (if available)

Chapter 25-24.825 (5), Florida Administrative Code, requires the company to make available to staff the alternative local exchange service areas only upon request.

1. **POP:** Addresses where located, and indicate if owned or leased.

<u>Location</u>	<u>Owned or Leased</u>
1)	
2)	
3)	
4)	

2. **SWITCHES:** Address where located, by type of switch, and indicate if owned or leased.

<u>Location</u>	<u>Type</u>	<u>Owned or Leased</u>
1)		
2)		
3)		
4)		

3. **TRANSMISSION FACILITIES:** POP-to-POP facilities by type of facilities (microwave, fiber, copper, satellite, etc.) And indicate if owned or leased.

<u>Type of POP-to POP</u>	<u>Owned or Leased</u>
1)	
2)	
3)	
4)	

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".

UTILITY OFFICIAL:



Robert Buffa, Vice President

8-9-99

Date

954-923-4110

Telephone Number

954-923-4111

Fax Number

Address: Xtel, Inc. d/b/a ACG
2514 Hollywood Boulevard, Suite 402-408
Hollywood, FL 33020
(954) 454-3002

Xtel, Inc., d/b/a ACG

EXHIBIT I

Financials

Xtel, Inc., d/b/a ACG

Xtel, Inc., d/b/a ACG is a start-up company and does not have any revenues to date. The company submits its Balance Sheet as of July 31, 1999. The stockholders and owners are willing and able to provide additional capital to the company if necessary.

In addition, the company provides a projected Income Statement.

XTEL, Inc.
Balance Sheet
July 31, 1999

ASSETS

Current Assets		
Regular Checking Account	\$	<u>64,516.73</u>
Total Current Assets		64,516.73
Property and Equipment		
Equipment		<u>7,218.00</u>
Total Property and Equipment		7,218.00
Other Assets		
Deposits		<u>3,000.00</u>
Total Other Assets		<u>3,000.00</u>
Total Assets	\$	<u><u>74,734.73</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
Loan Payable Peter Buffa	\$	33,333.33
Loan Payable Joe Orriols		32,333.33
Loan Payable Robert Buffa		33,333.33
Loan Payable Ariel Musibay		<u>100.00</u>
Total Current Liabilities		99,099.99
Long-Term Liabilities		
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		99,099.99
Capital		
Net Income		<u>< 24,365.26 ></u>
Total Capital		<u>< 24,365.26 ></u>
Total Liabilities & Capital	\$	<u><u>74,734.73</u></u>

XTEL Inc.
Projected Statement of Income Retained E
For the year 1999-2000

Sales	<u>\$8,743,000</u>	<u>100%</u>
Facilities Cost	\$4,993,687	
Carrier Cost	\$680,000	
Cost of Sales	\$5,673,687	65%
Operating Expenses		
Commissions	\$174,860	2%
Salaries	\$306,005	3.50%
Bad Debt Expenses	\$148,631	1.70%
Telephone	\$96,173	1.10%
Excise Tax	\$69,944	0.80%
Office	\$69,944	0.80%
Depreciation	\$61,201	0.70%
Payroll Taxes	\$52,458	0.60%
Consulting	\$52,458	0.60%
Advertising & Promotion	\$34,972	0.40%
Travel	\$26,229	0.30%
Professional Fees	\$17,486	0.20%
Computer Expenses	\$17,486	0.20%
Maintenance	\$8,743	0.10%
Miscellaneous	\$8,743	0.10%
Employee Benefits	\$8,743	0.10%
Meals & Entertainment	\$8,743	0.10%
Insurance	\$8,743	0.10%
Utilities	\$8,743	0.10%
Interest	\$8,743	0.10%
Licenses	\$4,372	0.05%
Amortization	<u>\$4,372</u>	<u>0.05%</u>
Total Operating Expenses	<u>\$1,197,791</u>	<u>14%</u>
Profit from Operations	<u>\$1,871,522</u>	<u>21.41%</u>
Income Taxes	\$524,026.16	
Net Income	<u>\$1,347,495.84</u>	<u>15.41%</u>

Xtel, Inc., d/b/a ACG

EXHIBIT I

Management Profiles

XTEL, INC. d/b/a ACG
Resumes of Key Employees

Peter Buffa - President and Chief Executive Officer

Mr. Peter Buffa serves as President and Chief Executive Officer of Xtel, Inc. and has extensive experience in the management of telecommunications companies. Prior to his association with Xtel, he co-founded and served as Chairman/CEO of Paycom, Inc., a privately held pay telephone company that provides pay telephone services to commercial properties throughout South Florida. In 1989 he founded and, until its sale in 1994, served as Chairman/CEO of TTI Long Distance, a facilities based long distance telephone company. In 1984, Mr. Buffa co-founded and served as Vice President/COO of TELSO, Inc., a large privately held public pay telephone company.

Joseph Orriols - Executive Vice President

Mr. Orriols is Executive Vice President of Xtel, Inc. He co-founded and served as Executive Vice President of Rockwell Communications, an international facilities based provider of international discount long distance services. In his position at Rockwell, he was responsible for sales activities worldwide. Prior to Rockwell, Mr. Orriols founded Intelechoice, a privately held pay telephone company serving markets in Florida and New Jersey.

Robert Buffa - Vice President of Customer Relations

Mr. Robert Buffa, Vice President of Customer Relations, has many years of managerial experience in the telecommunications industry. In 1995 he founded and served as President of Affinity Communications Group, Inc, a provider of long distance, local, cellular and Internet services. From 1990 to 1994, Mr. Buffa served as Senior Vice President of TTI Long Distance, where he was responsible for the internal and outside sales channels, customer service and credit and collections for customers in 20 states.

Ariel Musibay - Vice President of Operations

Mr. Musibay, Vice President of Operations, comes to Xtel, Inc. from Bellsouth International where he served as Vice President of Negotiations and Routing. He began his telecommunications career in 1982 with Metromedia Long Distance where he served as Technical Support Manager and later as Director of Traffic Engineering. From 1991 to 1996 he was Director of Operations for TTI Long Distance and from 1996 through 1998 he was Director of Network Services for TresCom International.



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DEPOSIT

DATE

D191

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Sincerely,

Manique Byrnes
Manique Byrnes

TECHNOLOGIES MANAGEMENT, INC.

P.O. BOX 200
210 N. PARK AVE.
WINTER PARK, FL 32789-0200
(407) 740-8575

NATIONSBANK
WINTER PARK, FL 32789
63-27/631

23946

8/23/1999

PAY TO THE ORDER OF Florida Public Service Commission

\$ ****250.00**

Two Hundred Fifty and 00/100*****

Florida Public Service Commission
Records & Reporting
2540 Shumard Oaks Blvd.
Tallahassee, FL 32302-1500

DOLLARS
Security features included.
Details on back.

DOCUMENT NUMBER - DATE

TECHNOLOGIES MANAGEMENT, INC.

10164 AUG 25 99

C. A. Wilson

MEMO Florida Public Service Commission