

LAW OFFICES
MESSER, CAPARELLO & SELF
A PROFESSIONAL ASSOCIATION

215 SOUTH MONROE STREET, SUITE 701
POST OFFICE BOX 1876
TALLAHASSEE, FLORIDA 32302-1876
TELEPHONE: (850) 222-0720
TELECOPIERS: (850) 224-4359; (850) 425-1942

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RECORDS AND
REPORTING

April 28, 2000

BY HAND DELIVERY

Ms. Blanca Bayo, Director
Division of Records and Reporting
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

DEPOSIT DATE
D288 MAY 02 2000

000514-TI

Dear Ms. Bayo:

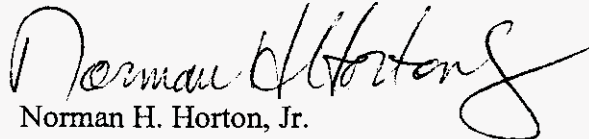
Enclosed for filing are an original and six copies of Grande Communications Networks, Inc.'s Application for Authority to Provide Interexchange Telecommunications Service between Points Within the State of Florida. Also enclosed is a check in the amount of \$250.00 for the application fee.

The financial information requested with the application is considered by the applicant to be proprietary and confidential. This information would be of use to competitors and disclosure would impede the activities of the Company. Applicant thus requests that the financial data be treated as confidential material pursuant to section 364.183, Florida Statutes. Redacted versions of the information are attached to the application.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely,


Norman H. Horton, Jr.

NHH/amb
Enclosure
cc: Mr. Ross S. Tipton
Mr. Rob Hartaway
Melissa Smith, Esq.

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:

**** FLORIDA PUBLIC SERVICE COMMISSION ****

DIVISION OF TELECOMMUNICATIONS
BUREAU OF CERTIFICATION AND SERVICE EVALUATION

**Application Form for Authority to Provide
Interexchange Telecommunications Service
Between Points Within the State of Florida**

000514-TI

Instructions

- ◆ This form is used as an application for an original certificate and for approval of assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the 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
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770**

Note: No filing fee is required for an assignment or transfer of an existing certificate to another certificated company.

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

**Florida Public Service Commission
Division of Telecommunications
Bureau of Certification and Service Evaluation
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6600**

1. This is an application for \checkmark (check one):
- Original certificate (new company).**
 - Approval of transfer of existing certificate:**
Example, a certificated company purchases an existing certificated company and desires to retain the authority of both certificates.
 - Approval of assignment of existing certificate:**
Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority rather than apply for a new certificate.
 - 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:

Grande Communications Networks, Inc.

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

Grande Communications Networks, Inc.

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

1801 Lavaca Street, Suite 115

Austin, TX 78701-1329

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

Grande Communications Networks, Inc.
c/o Messer, Caparello & Self, P.A.

215 S. Monroe Street, Suite 701
P.O. Box 1876

Tallahassee, FL 32302-1876

6. Select type of business your company will be conducting (check all that apply):

- Facilities-based carrier** - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
- Operator Service Provider** - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
- Reseller** - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- Switchless Rebiller** - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
- Multi-Location Discount Aggregator** - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers, then offers resold service by enrolling unaffiliated customers.
- Prepaid Debit Card Provider** - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

7. Structure of organization;

- | | |
|---|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Corporation |
| <input checked="" type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Other _____ | |

8. If individual, provide:

Name: Not applicable

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

9. **If incorporated in Florida**, provide proof of authority to operate in Florida:

(a) **The Florida Secretary of State Corporate Registration number:**

10. **If foreign corporation**, provide proof of authority to operate in Florida:

(a) **The Florida Secretary of State Corporate Registration number:**

F00000002046

11. **If using fictitious name-d/b/a**, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:

(a) **The Florida Secretary of State fictitious name registration number:** _____

12. **If a limited liability partnership**, provide proof of registration to operate in Florida:

(a) **The Florida Secretary of State registration number:** _____

13. **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: _____

14. **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: _____

15. Provide **F.E.I. Number** (if applicable): 52-2229928

16. Provide the following (if applicable):

(a) Will the name of your company appear on the bill for your services?
() Yes () No

(b) If not, who will bill for your services?

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

(c) How is this information provided?

17. Who will receive the bills for your service?

(X) Residential Customers
() PATs providers
() Hotels & motels

(X) Business Customers
() PATs station end-users
() Hotel & motel guests

() Universities () Universities dormitory residents
(x) Other: (specify) Certificated providers

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

(a) The application:

Name: Norman H. Horton, Jr., Esq.

Title: Attorney

Messer, Caparello & Self, P.A.
Address: P.O. Bpx 1876

City/State/Zip: Tallahassee, FL 32302-1876

Telephone No.: (850)222-0720 Fax No.: (850)224-4359

Internet E-Mail Address: nhorton@lawfla.com

Internet Website Address: _____

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

Name: Tipton S. Ross

Title: Executive Vice President

Address: 1801 Lavaca Street, Suite 115

City/State/Zip: Austin, TX 78701-1329

Telephone No.: (512)457-0505 Fax No.: (512)457-0507

Internet E-Mail Address: tross@grandecom.com

Internet Website Address: www.grandecom.com

(c) Complaints/Inquiries from customers:

Name: W.K.L. (Scott) Ferguson, Jr.

Title: Vice President of Operations

Address: 1801 Lavaca Street, Suite 115

City/State/Zip: Austin, TX 78701-1329

Telephone No.: (512)457-0505 **Fax No.:** (512)457-0507

Internet E-Mail Address: sferguson@grandecom.com

Internet Website Address: wwwgrandecom.com

19. List the states in which the applicant:

(a) has operated as an interexchange telecommunications company.

None

(b) has applications pending to be certificated as an interexchange telecommunications company.

Applications will be filed in Georgia and Indiana simultaneously with

this application. The Applicant is in the process of filing in Washington

and North Carolina.

(c) is certificated to operate as an interexchange telecommunications company.

Texas

(d) has been denied authority to operate as an interexchange telecommunications 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

20. 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. If so, please explain.

None

(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.

Mr. Jerry James was formerly associated with Thrifty Call and LDDS Metromedia Communications, Inc. but is no longer with either because of his association with the applicant. Mr. William Morrow is affiliated with Knology.

21. The applicant will provide the following interexchange carrier services \checkmark (check all that apply):

a. _____ **MTS with distance sensitive per minute rates**

- Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 800
- b. **MTS with route specific rates per minute**
 Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 800
- c. **MTS with statewide flat rates per minute (i.e. not distance sensitive)**
 Method of access is FGA
 Method of access is FGB
 Method of access is FGD
 Method of access is 800
- d. **MTS for pay telephone service providers**
- e. **Block-of-time calling plan (Reach Out Florida, Ring America, etc.).**
- f. **800 service (toll free)**
- g. **WATS type service (bulk or volume discount)**
 Method of access is via dedicated facilities
 Method of access is via switched facilities
- h. **Private line services (Channel Services)
(For ex. 1.544 mbs., DS-3, etc.)**
- i. **Travel service**
 Method of access is 950
 Method of access is 800
- j. **900 service**
- k. **Operator services**

- Available to presubscribed customers
- Available to non presubscribed customers (for example, to patrons of hotels, students in universities, patients in hospitals).
- Available to inmates

i. **Services included are:**

- Station assistance
- Person-to-person assistance
- Directory assistance
- Operator verify and interrupt
- Conference calling

22. Submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

The applicant has not completed pricing of all services but a tariff will be filed prior to approval of the application.

23. 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:

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. the balance sheet; 2. income statement; and 3. statement of retained earnings. | <p>Copies of the parents' financial statements are being filed as confidential documents with the Division of Records and Reporting.</p> |
|---|--|

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. **A written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. **A written explanation** that the applicant has sufficient financial capability to maintain the requested service.
3. **A 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.

See attached.

Also as reflected in the attachments, Grande has sufficient financial, managerial and technical capability to provide and maintain services and meet its obligations. The officers have extensive managerial and technical experience in the telecommunications industry and are working with other companies such as Knology, Inc., and Clear Source, Inc. who also have extensive technical experience.


Although a new entrant, Grande has received commitments on over \$232 million in equity from investment firms and partners including J. H. Witney, The Centennial Funds and Prime New Adventures.

As a subsidiary of Grande Communications, Inc., Grande Communications Networks, Inc. will have access to the resources of Grande to include management, technical and capitalization. As reflected in the financial attachments, Grande has committed its resources to the applicant to insure that the applicant will meet its obligations. Further, the management team not only has extensive experience in developing and operating telecommunications providers, but they are experienced in capitalizing companies as well.

**** 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 its 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 the application.

UTILITY OFFICIAL:

	April 27, 2000
Signature	Date
Executive Vice President	(512)457-0505
Title	Telephone No.
Address: 1801 Lavaca Street, Suite 115	(512)457-0507
Austin, TX 78701-1329	Fax No.

ATTACHMENTS:

- A - CERTIFICATE SALE, TRANSFER, OR ASSIGNMENT STATEMENT
- B - CUSTOMER DEPOSITS AND ADVANCE PAYMENTS
- C - CURRENT FLORIDA INTRASTATE NETWORK
- D - AFFIDAVIT

**** APPENDIX A ****

CERTIFICATE TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name) _____

(Title) _____ of

(Name of Company)

and current holder of Florida Public Service Commission Certificate Number

_____, have reviewed this application and join in the
petitioner's request for a:

() transfer

() assignment

of the above-mentioned certificate.

UTILITY OFFICIAL:

Signature

Date

Title

Telephone No.

Address: _____

Fax No.


CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be provided in one of the following ways (applicant, please check one):

- () The applicant will **not** collect deposits nor will it collect payments for service more than one month in advance.

- () The applicant intends to collect deposits and/or advance payments for more than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month.
(The bond must accompany the application.)

UTILITY OFFICIAL:

		April 27, 2000
Signature		Date
Vice President - Corporate Planning and Development		(512)457-0505
Title		Telephone No.
Address:	1801 Lavaca Street, Suite 115, Austin, TX 78701-1329	(512)457-0507
		Fax No.
<hr/>		
<hr/>		
<hr/>		
<hr/>		

CURRENT FLORIDA INTRASTATE SERVICES

Applicant **has** () or **has not** () previously provided intrastate telecommunications in Florida.

If the answer is has, fully describe the following:

a) What services have been provided and when did these services begin?

b) If the services are not currently offered, when were they discontinued?

UTILITY OFFICIAL:

Signature

Date

Title

Telephone No.

Address:

Fax No.

Robert W. Hughes, Chairman

Mr. Hughes was the founder of Prime Cable Corp. in 1979. In 1995, Prime was the 12th largest cable company in the U. S. with approximately 1 million subscribers. Its largest cable system, Las Vegas, was sold to Cox Communications in 1998 for \$3.1 billion. Prime now serves 450,000 cable television subscribers in three states. Mr. Hughes presently serves as Chairman of Prime II Investments and Managing Director of Prime New Ventures, a telecommunications venture capital company. Mr. Hughes served as Director and Chairman of the National Cable Television Association in 1978-79. He currently serves on the board of directors of the Hispanic Broadcasting Corporation, Hawaiian Wireless Inc., and e-Original, Inc. Mr. Hughes received his BS in Chemical Engineering at the University of Oklahoma, and later received his MBA from the Harvard Business School.

William E. Morrow, Vice Chairman & CEO

Mr. Morrow has served as a director of ClearSouce, Inc. since its founding. Previously, Mr. Morrow served Knology, Inc. as President, Chief Executive Officer, Director and Vice Chairman. From August 1996 to February 1997, Mr. Morrow served as Senior Vice President and General Manager of Network Alliances for UtiliCom Networks. Prior to that time, Mr. Morrow served in various capacities at Central and South West Corp. from March 1985 to August 1996, including Marketing, Area Management, Governmental/Regulatory Lobbyist, Ventures/Business Development and Founder and Managing Director of CSW Communications from December 1993 to August 1996. Mr. Morrow received his Bachelor of Arts in Marketing from The University of Texas system.

Jerry L. James, President & COO

Mr. James is an established leader in the telecommunications industry, most recently named by Phone+Magazine as one of the nation's sixteen most influential people in the competitive telecommunications market. Mr. James brings 32 years of experience to the company after serving as General Manager and Executive Vice President of Governmental Affairs and Business Development at Thrifty Call, Inc. Mr. James contributed to the success of LDDSMetromedia Communications, Inc. (ATC/ClayDesta Communications) as Vice President, Governmental Affairs and Senior Vice President Network Operations from 1985 - 1995. Additionally, Mr. James had a successful career with Southwestern Bell Telephone Company where he provided a variety of management leadership roles in government/community affairs and rates and tariff administration. Mr. James received his Bachelor of Arts in Marketing from The University of Texas at Austin.

Martha E. Smiley, Executive Vice President - Legal, Governmental and Community Relations*

Ms. Smiley has 27 years of legal, business, regulatory and legislative experience with 14 of those years as Partner in the law firm of Bickerstaff, Heath & Smiley, L.L.P. She also represented Region VI, Environmental Protection Agency, as Regional Counsel. Currently, Ms. Smiley is the President of Triad, Inc., a consulting group leading communication companies through strategic business and regulatory issues. Ms. Smiley earned her Bachelor of Arts in Sociology from Baylor University and her *Juris Doctorate* from the University of Texas Law School.

*Ms. Smiley will be joining Grande Communications in the near future.

Tipton S. Ross, Executive Vice President - Corporate Planning and Development

Mr. Ross' experience includes 11 years in the telecommunications and electric industries. He is currently Principal of Tipton Ross Company where he serves as an advisor to clients on telecommunications and electric industry issues and procedures including strategic assistance in accomplishing corporate goals. In addition, Mr. Ross is *President and Chief Executive Officer* of RFI-Texas, Inc., an information service company specializing in state agencies. Mr. Ross is a graduate of The University of Texas at Austin with a Bachelor of Business Administration.

John M. Saenz, Vice President, General Manager

As President and CEO of ExecuMark, Inc., Mr. Saenz provides executive level consulting to corporate clients. Mr. Saenz served as Vice President, Sales and Marketing at Central and South West Energy Services. Prior to that appointment, he acted as the General Manager of the Southern Region for Central Power & Light Company where he directed the operations and customer service centers. Mr. Saenz earned his Bachelor of Science in Biology from Texas A&M University - Corpus Christi, and graduated from the University of Michigan's Public Utilities Executives Program and Stanford University's Executive Program.

W.K.L. (Scott) Ferguson, Jr., Vice President of Operations

As *founding partner and Senior Vice President* of PrimeOne, Inc., Mr. Ferguson played a key role in the purchase of wireless broadband business from PacTel/SBC in 1998 and helped orchestrate the eventual sale of the business to MCI/WorldCom in 1999. Prior to that time, he served as Vice President, Administrative Services for Prime Cable. Mr. Ferguson earned his Bachelor of Business Administration-Finance and Master of Business Administration-Accounting/Finance from The University of Texas at Austin, and was awarded his Certification as a Public Accountant by the State of Texas.

Joe C. Ross, Vice President of Construction

As Director of Operations for J.R.'s Cable Services, Inc., Mr. Ross has successfully bid, managed, and executed the placement of 7,000 miles of network new build and 18,000 miles of network upgrade. His list of achievements include developing a nationwide company with four offices located in Austin, Las Vegas, Washington, D.C., and Houston. Mr. Ross' efforts have been recognized by industry leading companies such as: Level 3 Communications, RCN Communications, Time Warner Cable, Comcast, espire, and Cox Cable (formerly Prime Cable). Mr. Ross earned his degree in Business Administration from The University of Texas at Austin.

SWORN STATEMENT OF SUFFICIENT RESOURCES AND GUARANTY

THIS STATEMENT IS A GUARANTY that is made this 21st day of April, 2000 by the undersigned authorized representative of Parent company, Grande Communications, Inc. (hereinafter referred to collectively as "Guarantor").

GUARANTOR hereby pledges to support Grande Communications Networks, Inc. financially so that Grande Communications Networks, Inc. may fully deploy the services herein applied for in this application. Guarantor's financial ability has been demonstrated in other parts of this application. Further, Guarantor has commitments from its equity investors for a total of \$232 million.

EXECUTED as of the date and year above written.

GUARANTOR:

Grande Communications, Inc.

By: Tipton S. Ross

Name: Tipton S. Ross

Title: Executive Vice President, Secretary & Treasurer

Grande Communications, Inc.
Operations & CapEx Pro-Forma
\$\$\$s in (000s)

	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Total
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	
Revenue from Operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
EBITDA	-	-	-	-	-	-	-	-	-	-	-	-	-
Capex	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Cash Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Accts Rec Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
RGUs End of Month	-	-	-	-	-	-	-	-	-	-	-	-	-
Net RGU Adds	-	-	-	-	-	-	-	-	-	-	-	-	-
Projected RGU Growth	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Monthly RGU	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Rev/RGU	-	-	-	-	-	-	-	-	-	-	-	-	-
Projected Rev Growth	-	-	-	-	-	-	-	-	-	-	-	-	-

	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	Total
	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24	
Revenue from Operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost of Operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
EBITDA	-	-	-	-	-	-	-	-	-	-	-	-	-
Capex	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative Cash Requirement	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Accts Rec Balance	-	-	-	-	-	-	-	-	-	-	-	-	-
RGUs End of Month	-	-	-	-	-	-	-	-	-	-	-	-	-
Net RGU Adds	-	-	-	-	-	-	-	-	-	-	-	-	-
Projected RGU Growth	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Monthly RGU	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Rev/RGU	-	-	-	-	-	-	-	-	-	-	-	-	-
Projected Rev Growth	-	-	-	-	-	-	-	-	-	-	-	-	-

	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Total
	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	
Capex	-	-	-	-	-	-	-	-	-	-	-	-	-
Capex Cumulative Total	-	-	-	-	-	-	-	-	-	-	-	-	-

CONFIDENTIAL

Grande Communications, Inc.
Balance Sheet
March 31, 2000

CONFIDENTIAL

ASSETS

Current Assets		
Norwest Checking	\$	
Norwest Savings		
Overnight Investments		
Other Prepaid Expenses		
Total Current Assets		
Property and Equipment		
Computer Hardware		
Computer Software		
Total Property and Equipment		
Accumulated Depreciation		
A/D Computer Hardware		
A/D Computer Software		
Total Accumulated Depreciation		
Net Property and Equipment		
Other Assets		
Deposits		
Total Other Assets		
Total Assets	\$	

LIABILITIES AND CAPITAL

Current Liabilities		
Trade Payables	\$	
Accrued Payroll		
Accrued Payroll Taxes		
Accrued Legal Fees		
Accrued Prof. Services - Acctg		
Total Current Liabilities		
Long-Term Liabilities		
Total Long-Term Liabilities		
Total Liabilities		
Capital		
Par Value - Common		
Par Value - Series A Preferred		
Additional Paid-In Capital		
Net Income		
Total Capital		
Total Liabilities & Capital	\$	

Grande Communications, Inc.
Income Statement
For the Three Months Ending March 31, 2000

	Current Month	Year to Date
Revenues		
Total Revenues	[REDACTED]	[REDACTED]
Cost of Sales		
Total Cost of Sales	[REDACTED]	[REDACTED]
Gross Profit	[REDACTED]	[REDACTED]
Expenses		
Employee Expense	\$ [REDACTED]	\$ [REDACTED]
Meetings & Conferences	[REDACTED]	[REDACTED]
Office Equipment	[REDACTED]	[REDACTED]
Office Equipment Rental	[REDACTED]	[REDACTED]
Office Supplies	[REDACTED]	[REDACTED]
Software	[REDACTED]	[REDACTED]
Rent	[REDACTED]	[REDACTED]
Electricity	[REDACTED]	[REDACTED]
Field Equipment	[REDACTED]	[REDACTED]
Courier Mail	[REDACTED]	[REDACTED]
Overnight Mail	[REDACTED]	[REDACTED]
Printing & Reproduction	[REDACTED]	[REDACTED]
Accounting Services	[REDACTED]	[REDACTED]
Consultants	[REDACTED]	[REDACTED]
Legal Fees	[REDACTED]	[REDACTED]
Payroll Service Fees	[REDACTED]	[REDACTED]
Public Relations	[REDACTED]	[REDACTED]
Professional Services Other	[REDACTED]	[REDACTED]
Miscellaneous Expense	[REDACTED]	[REDACTED]
Out of Home Advertising	[REDACTED]	[REDACTED]
Marketing Research	[REDACTED]	[REDACTED]
Donations/Contributions	[REDACTED]	[REDACTED]
Cellular Telephone	[REDACTED]	[REDACTED]
Local Telephone Service	[REDACTED]	[REDACTED]
Long Distance Telephone Serv	[REDACTED]	[REDACTED]
Telecommunications Equipment	[REDACTED]	[REDACTED]
Airfare	[REDACTED]	[REDACTED]
Auto Rentals	[REDACTED]	[REDACTED]
Mileage Reimbursement	[REDACTED]	[REDACTED]
Taxi, Tolls & Parking	[REDACTED]	[REDACTED]
Lodging	[REDACTED]	[REDACTED]
Meals	[REDACTED]	[REDACTED]
Unallocated Expenses	[REDACTED]	[REDACTED]
Penalties & Fines	[REDACTED]	[REDACTED]
Depreciation	[REDACTED]	[REDACTED]
Interest Income	[REDACTED]	[REDACTED]
Interest Expense	[REDACTED]	[REDACTED]
Total Expenses	[REDACTED]	[REDACTED]
Net Income	\$ [REDACTED]	\$ [REDACTED]

LAW OFFICES
MESSER, CAPARELLO & SELF
A PROFESSIONAL ASSOCIATION

215 SOUTH MONROE STREET, SUITE 701
POST OFFICE BOX 1876
TALLAHASSEE, FLORIDA 32302-1876
TELEPHONE: (850) 222-0720
TELECOPIERS: (850) 224-4359; (850) 425-1942

RECEIVED-FPSC
00 APR 28 PM 4:17

RECORDS AND
REPORTING

ORIGINAL

April 28, 2000

BY HAND DELIVERY

Ms. Blanca Bayo, Director
Division of Records and Reporting
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

000514-TI

Dear Ms. Bayo:

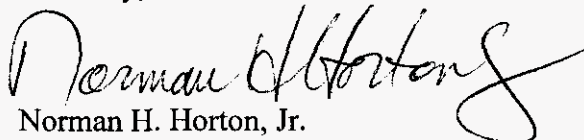
Enclosed for filing are an original and six copies of Grande Communications Networks, Inc.'s Application for Authority to Provide Interexchange Telecommunications Service between Points Within the State of Florida. Also enclosed is a check in the amount of \$250.00 for the application fee.

The financial information requested with the application is considered by the applicant to be proprietary and confidential. This information would be of use to competitors and disclosure would impede the activities of the Company. Applicant thus requests that the financial data be treated as confidential material pursuant to section 364.183, Florida Statutes. Redacted versions of the information are attached to the application.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

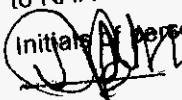
Thank you for your assistance with this filing.

Sincerely,


Norman H. Horton, Jr.

NHH/amb
Enclosure

cc: Mr. Ross S. Tipton
Mr. Rob Hartaway
Melissa Smith, Esq.

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:


LAW OFFICES
MESSER, CAPARELLO & SELF
A PROFESSIONAL ASSOCIATION

215 SOUTH MONROE STREET, SUITE 701
POST OFFICE BOX 1876
TALLAHASSEE, FLORIDA 32302-1876
TELEPHONE: (850) 222-0720
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2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

DEPOSIT DATE
D288 MAY 02 2000

000514-TI

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Please acknowledge receipt of these documents by stamping the extra copy of this letter

LAW OFFICES		63-778
MESSER, CAPARELLO & SELF, P.A.		6311
OPERATING ACCOUNT		
215 S. Monroe St., Suite 701		
Post Office Box 1876		
Tallahassee, Florida 32302-1876		365026020
(850) 222-0720		
PAY TO THE ORDER OF		APRIL 28, 2000
FLORIDA PUBLIC SERVICE COMMISSION		\$250.00
***** TWO HUNDRED FIFTY *****		AND 00/100
SUNTRUST BANK, TALLAHASSEE, N.A.		MESSER, CAPARELLO & SELF, P.A.
TALLAHASSEE, FLORIDA		<i>Norman A. Walker</i>
		ASSISTANT TREASURER
⑆ 365020⑆ ⑆ 063107788⑆ 0787000577700⑆		