



# Public Service Commission

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

**DATE:** February 27, 1996  
**TO:** Tom Williams, Division of Communications  
**FROM:** Sonja Jones, Division of Auditing and Financial Analysis *ALM APC*  
**RE:** Docket No. 960179-TI, Bell Atlantic Communications, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *ONS 1/2*

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 audited financial statements of Bell Atlantic Communications, Inc. (BAC) for the period ending December 31, 1994. As the attached schedule shows, BAC has adequate ownership equity, but reports minimal liquidity and negative net income.

In this matter, BAC is asking for a certificate to provide IXC service. Under the minimal requirements of the statute, the application appears adequate.

cc: Division of Legal Services  
Division of Records and Reporting

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 APP \_\_\_\_\_  
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DOCUMENT NUMBER - DATE

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FPSC-RECORDS/REPORTING

DOCKET NO. 960179-TI  
BELL ATLANTIC COMMUNICATIONS, INC.  
IXC CERTIFICATE  
FINANCIAL ANALYSIS

FROM AUDITED FINANCIAL STATEMENTS

	AS OF 12/31/94
CURRENT ASSETS	\$3,783,300,000
CURRENT LIABILITIES	3,489,100,000
CURRENT RATIO	1.08
CASH	142,900,000
COMMON EQUITY	6,081,300,000
TOTAL DEBT	8,893,300,000
NET INVESTOR CAPITAL	14,974,600,000
COMMON EQUITY RATIO	41%
NET LOSS	(754,800,000)
RETURN ON EQUITY	NMF

NMF = No Meaningful Figure