



Public Service Commission

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DATE: April 2, 1997
TO: Tom Williams, Division of Communications
FROM: David Draper, Division of Auditing and Financial Analysis *DD ALM*
RE: Docket No. ~~970379-TI~~, ATI Telecom, Inc., Financial Analysis for Certificate Application for Intrastate Interexchange Telecommunications Service *APC*

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 income tax returns of ATI Telecom, Inc. (ATI) for the period ending December 31, 1995. An audit could change one's opinion of the company's financial condition. The applicant has requested confidential treatment of its income tax returns. Based on the review of the applicant's financial information, ATI has marginal liquidity, sufficient common equity and shows a positive net income for 1995.

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In this matter, ATI 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 appears adequate. The applicant attests to its financial capability to provide and maintain the proposed telecommunications service. In addition, the company anticipates that the resources needed to provide the requested services, in Florida, will be available from its current assets and from the income and revenue generated from its successful provision of telecommunication services. Based on this showing, the applicant appears to meet the financial capability standard of Section 364.337, Florida Statutes.

cc: Division of Legal Services
Division of Records and Reporting

DOCUMENT NUMBER-DATE

03433 APR-36

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Public Service Commission

March 27, 1997

Margaret M. Charles, Attorney
Swidler & Berlin Chartered
3000 K Street, NW, Suite 300
Washington, DC 20007-5116

Re: Docket No. 970379-TI

Dear Ms. Charles:

This will acknowledge receipt of an application for certificate to provide interexchange telecommunications service by ATI Telecom, Inc., which was filed in this office on March 26, 1997 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (904) 413-6078 or FAX (904) 413-6079.

Please make note as well that Commission Rule 25-22.005(7), F.A.C., requires certificated companies to notify the Commission of any changes in name, telephone, address, or contact person. Should your application be granted by the Commission, you will be expected to comply with this rule by advising us of any changes as they occur.

Division of Records and Reporting
Florida Public Service Commission