



Public Service Commission

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

DATE: November 9, 1999
TO: Nancy Pruitt, Division of Communications
FROM: Pete Lester, Division of Auditing and Financial Analysis
RE: Docket No. 991465-TX, Norcom, Inc., Financial Analysis for Certificate Application for Alternative Local Exchange Telecommunications Service

Section 364.337 (1), Florida Statutes, requires the following:

The commission shall grant a certificate of authority to provide alternative local exchange 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 financial statements of Norcom, Inc. (Norcom) for the period ending July 31, 1999. An audit could change one's opinion of the company's financial condition. As the attached schedule shows, Norcom has adequate liquidity, sufficient common equity and reported a positive net income for the period.

In this matter, Norcom is asking for a certificate to provide alternative local exchange telecommunications service. Staff notes the limited nature of the application. 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 by noting that it has additional sources of funding, such as a \$125,000 line of credit from a bank and \$200,000 from an individual investor. 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 (2)

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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

DOCKET NO. 991465-1
NORCOM, INC.
ALEC CERTIFICATE

FINANCIAL ANALYSIS

FROM UNAUDITED FINANCIAL STATEMENTS

AS OF
7/31/1999

CURRENT ASSETS	\$895,893
CURRENT LIABILITIES	530,045
CURRENT RATIO	1.69
CASH	165,661
COMMON EQUITY	307,691
TOTAL DEBT	78,208
TOTAL PREFERRED STOCK	0
TOTAL INVESTOR CAPITAL	385,899
COMMON EQUITY RATIO	80%
NET INCOME	145,393
RETURN ON EQUITY	47%

NOWALSKY, BRONSTON & GOTHARD ORIGINAL

A Professional Limited Liability Company
Attorneys at Law

Leon L. Nowalsky
Benjamin W. Bronston
Edward P. Gothard

3500 N. Causeway Boulevard
Suite 1442
Metairie, Louisiana 70002
Telephone: (504) 832-1984
Facsimile: (504) 831-0892

Monica R. Borne
EllenAnn G. Sands

September 24, 1999

Via Overnight Delivery

Florida Public Service Commission
Division of Communications, Certification
& Compliance Section
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0866

DEPOSIT DATE
D1 98 * SEP 27 1999

RE: Norcom, Inc.

991465-TX

AFA _____ Dear Ms. Hawkins:

APP _____

CAF _____

CMU _____ Enclosed please find an original and six (6) copies of Application Form for authority to provide
CTR _____ alternative local exchange service within the State of Florida which is submitted on behalf of Norcom,
EAG _____ Inc. Also enclosed is the requisite \$250.00 filing fee.

LEG _____

MAS _____ Please acknowledge receipt of this filing by returning a date stamped copy of this letter in the self-
OPC _____ addressed envelope provided.

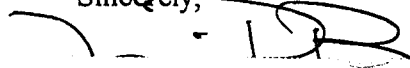
PAI _____

SEC _____ Thank you for your assistance. Please call with any questions.

WAW _____

OTH _____

Sincerely,



NORCOM, INC.
OPERATING ACCOUNT
40 SE 5TH STREET, SUITE 500
BOCA RATON, FL 33432

REPUBLIC SECURITY BANK
BOCA RATON, FL 33487-1657
63-9061/2670 8

3028

9/17/99

PAY TO THE ORDER OF Florida Public Service Commission

\$ 250.00

Handwritten signature: *Anna Hamed Fifty 00*

DOLLARS
Security features
included.
Details on back.

DOCUMENT NUMBER-DATE

4787 SEP 29 99

MEMO _____

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FPSC-RECORDS/REPORTING

NOWALSKY, BRONSTON & GOTHARD

A Professional Limited Liability Company
Attorneys at Law

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SEP 27 1999

RE: **Norcom, Inc.**

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Please acknowledge receipt of this filing by returning a date stamped copy of this letter in the self-addressed envelope provided.

Thank you for your assistance. Please call with any questions.

Sincerely,



Monica R. Borne

Enclosure

cc: Eric Mostrom, Norcom

Check received via Citicorp and
deposited in bank account.
Full amount of check
is available for deposit.

Signature of person who forwarded check:



STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

September 28, 1999

Monica R. Borne, Attorney
Nowalsky, Bronston & Gothard
3500 North Causeway Boulevard, Suite 1442
Metairie, Louisiana 70002

Re: Docket No. 991465-TX

Dear Ms. Borne:

This will acknowledge receipt of an application for certificate to provide alternative local exchange telecommunications service by Norcom, Inc., which was filed with this office on September 23, 1999 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 (850) 413-6078 or FAX (850) 413-6079.

Please make notes 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